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Daily Report
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FBIS-LAT-89-144 *28 July 1989*

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

CARIBBEAN

Cuba

Commentary Reviews Costa Rican Drug Charges *[Havana International]* 1
Delegations' Representatives Denounce TV Marti *[Havana TV]* 1
Yugoslav Envoy Comments on Bilateral Relations *[Havana TV]* 1
Castro Visits Multipurpose Hall in Camaguey *[Havana Radio]* 2
World's Newspapers Note 26 Jul Anniversary *[Havana TV]* 2
Espin Opens Doctors' Offices, Childcare Centers *[Havana TV]* 2
Matanzas Oil Workers Overfulfill Production *[Havana TV]* 2
Two Arrested for Running Illegal Slaughterhouse *[Havana Radio]* 3
* Soviets To Exchange Raw Materials for Goods *[TRABAJADORES 13 Jun]* 3

Caribbean Affairs

Drug Investigation Team in Virgin Islands *[CANA]* 3

Bahamas

FNM Official Calls on PLP Opponents for Help *[Nassau Radio]* 4

Dominica

Prime Minister Charles on Grenada Situation *[CANA]* 4
CSA: Prime Minister Out To Discredit Them *[CANA]* 4

Grenada

Mitchell Files No-Confidence Vote Against Blaize *[CANA]* 5

Haiti

MNPH's Lahens Wants Constitutional Amendment *[Port-au-Prince Radio]* 5
CEP Issues Press Release on Recent Meetings *[Port-au-Prince Radio]* 6
CEP Secretary General Pierre on Elections *[Port-au-Prince Radio]* 6
Further on CEP Secretary General *[Port-au-Prince Radio]* 7
RDC's Volel Protests 'Intimidation' at Airport *[Port-au-Prince Radio]* 8
APN Gives Reasons for 28 Jul Demonstration *[Port-au-Prince Radio]* 9
CATH Supports Planned 28 Jul Demonstration *[Port-au-Prince Radio]* 9
CATH Discusses Elections, Unrest in Nation *[Port-au-Prince Radio]* 10
MIDH Holds Regional Congress in Northwest *[Port-au-Prince Radio]* 10
Saint Gerard Incident Compared to Soleil Affair *[Port-au-Prince Radio]* 10
2,000 Commemorate Jean-Rabel Massacre *[Port-au-Prince Radio]* 10
MDN Official Discusses National Currency *[Port-au-Prince Radio]* 11
Section Chief Abuses in Jean-Rabel Continue *[Port-au-Prince Radio]* 11
'Armed Men' Kill Man at Sylvio Cator Stadium *[Port-au-Prince Radio]* 11
Investigation Into Delpe Murder Continues *[Port-au-Prince Radio]* 12
Land Conflicts in Artibonite Valley Continue *[Port-au-Prince Radio]* 12
Power Failures Shut Down Les Cayes Radio *[Port-au-Prince Radio]* 13

Jamaica

Alcoa Plant Workers Strike on 5th Day *[CANA]* 13

Nation Passes IMF Test, Awarded Aid Package *[CANA]* 13

St Lucia

Country Records 6 Percent Growth Rate *[CANA]* 14

Trinidad and Tobago

Prime Minister Accused of Contempt for Opposition *[CANA]* 14
Sugar Union Faces Electoral Fraud Charges *[CANA]* 15
Former NAR Members Plan To Launch New Party *[CANA]* 15
New President Named to Media Association *[CANA]* 16

MEXICO

Salinas Sends Message to Polish Leader 23 Jul *[EL DIA 23 Jul]* 17
Further Reportage on Economy, Debt Agreement 17
Editorial Hails Accord *[UNOMASUNO 24 Jul]* 17
Public Credit Director on Debt *[Mexico City TV]* 17
Bridge Loan To Boost Reserves *[THE NEWS 26 Jul]* 19
Domestic Debt Shows Increase *[THE NEWS 23 Jul]* 20
1st Quarter Reserves Reported *[THE NEWS 21 Jul]* 20
PRI Militants Discuss Suggested Party Changes *[THE NEWS 24 Jul]* 20
Opposition Parties Reestablish Alliance *[NOTIMEX]* 21
PRD Supporters Occupy City Halls in Guanajuato *[NOTIMEX]* 21
Panama Sends 14,000 Tons of Refined Sugar *[EL DIA 20 Jul]* 21

CENTRAL AMERICA

Costa Rica

Arias Discusses Regional Economic Situation *[EXCELSIOR 21 Jul]* 22
Arias Reaffirms Vow To Fight Corruption *[San Jose Radio]* 23
Central Bank Reports Trade Deficit Doubles *[San Jose Radio]* 23
Assembly Approves Creation of New Ministry *[San Jose Radio]* 23
Authorities May Request Hull's Extradition *[San Jose Radio]* 23

El Salvador

D'Aubuisson Berates Duarte, Ungo on Romero Case *[San Salvador TV]* 23
Navy Accuses Sandinists of Wounding Fisherman *[San Salvador TV]* 24
Venceremos Reports Clash With Paratroopers *[Radio Venceremos]* 24

Guatemala

State of Emergency Ruled Out 'For Now' *[LA HORA 25 Jul]* 24
President Suspends Talks With Striking Teachers *[PRENSA LIBRE 27 Jul]* 25
President Says DEA Report Unfair to Country *[PRENSA LIBRE 27 Jul]* 25
Minister Suggests Right Involved in Terrorism *[PRENSA LIBRE 24 Jul]* 25

Honduras

Security Council Approves Contra Demobilization 26

Nicaragua

Tirado Discusses Elections, Need To End War *[BARRICADA 27 Jul]* 26
Contras Reject Proposed Demobilization Plan *[ACAN]* 27
Violeta Chamorro Willing To Run for President *[LA PRENSA 25 Jul]* 28
Commentator Says Sandinists Pursuing Stalinism *[Managua Radio]* 28

Panama

Ritter on Resumption of National Dialogue *[Panama City TV]* 29
Government Urges Dialogue, Unity Government *[CRITICA 27 Jul]* 29
Duque Encourages ADOC Dialogue Participation *[Panama City TV]* 30
Endara Reads Communique on Resuming Talks *[Panama City TV]* 30

Arellano Says OAS Should Clarify 'Transfer' *[Panama City TV]* 31
Editorial Views OAS Mission, 'Crisis' *[EL COMERCIO 20 Jul]* 31
Ritter Protests Alleged Misuse of Funds *[Panama City Radio]* 32
Government Boycotts Canal Board Meeting *[LA ESTRELLA DE PANAMA 27 Jul]* 32
Antiriot Squads Disperse Student Demonstration *[ACAN]* 32
Columnist Wants 'Traitors' Sent Into Exile *[CRITICA 27 Jul]* 33
New Deputy Finance Minister Appointed *[Panama City TV]* 33

SOUTH AMERICA

Argentina

Government Sources on Resumption of UK Ties *[Buenos Aires Radio]* 34
Cavallo Denies New UK Instructions *[NOTICIAS ARGENTINAS]* 34
Luder on 'Amnesty' for Rebellion Leaders *[BUENOS AIRES HERALD 27 Jul]* 34

Bolivia

Presidential Candidates Sign Joint Declaration *[La Paz Radio]* 35
MNR, MIR Faction Propose Coalition *[La Paz Radio]* 35
Central Bank Reserve Level Reported Adequate *[La Paz Radio]* 36
IDB Grants Credit for Modernizing Tax System *[La Paz Radio]* 36

Brazil

Nobrega Warns Creditors About Payments *[O GLOBO 27 Jul]* 36
Correction To Sarney Interview on Economy 37

Chile

Pinochet Discharged From Hospital After Surgery *[Santiago Radio]* 37
Former Minister Buchi Registers for Dec Elections *[Santiago Radio]* 37
Minister Stresses Impartiality in Plebiscite *[Santiago TV]* 37
Security Measures Announced *[Santiago Radio]* 37
FPMR Seizes Vina del Mar Radio Station *[Santiago Radio]* 38

Colombia

House of Representatives Confirms Attorney General *[Bogota TV]* 38
M-19 Leader Russi Stabbed to Death in Prison *[Madrid EFE]* 38
Army Continues ELN Offensive, 13 Rebels Killed *[Bogota Radio]* 38
Guerrillas Execute Collaborator *[LA PRENSA 21 Jul]* 38
Car Bomb Kills One, Emerald War Escalates *[Bogota TV]* 39
Police Report Kidnapping of German Citizen *[Bogota TV]* 39

Venezuela

Foreign Ministry: Noriega Should Leave Position *[Madrid EFE]* 39
* Relations With Guyana Improve Considerably *[EL NACIONAL 15 Jun]* 39
* Maladministration of Justice Discussed *[EL NACIONAL 17 Jun]* 40
* COPEI Urges Immediate Reform in Agriculture *[EL NACIONAL 15 Jun]* 42
* Statistics Show Increase in Poverty Level *[EL NACIONAL 17 Jun]* 43

Guyana

Death Sentence for Drug Dealers Approved *[Bonaire Radio]* 44
Opposition to Provision *[CANA]* 44
Sugar Workers 'Totally Reject' Wage Offer *[CANA]* 45

Cuba

Commentary Reviews Costa Rican Drug Charges

PA2607205589 Havana International Service in Spanish 0000 GMT 26 Jul 89

["Our America" commentary read by Julio Dominguez]

[Text] Despite its antidrug campaign, Washington seems to be quite interested in quelling the scandal that has surfaced in Costa Rica as a result of investigations conducted by the Costa Rican Legislative Assembly regarding drug trafficking activities to collect funds for the Nicaraguan contras.

A special Costa Rican Legislative Assembly committee recently reported that former U.S. Ambassador to Costa Rica Lewis Tambs and Lieutenant Colonel Oliver North—one of the key figures in the Iran-contra scandal—used Costa Rican territory to smuggle large shipments of drugs to obtain money for the Somozist mercenary bands.

An extensive investigation conducted by that committee concluded that those illegal activities, so harmful to national dignity, occurred between 1984 and 1986 and obviously had the consent of local government officials.

Consequently, the committee requested that former Ambassador Tambs, Lt Col North, and other former Reagan Administration officials—among them John Poindexter, Richard Secord, and Joe Fernandez—be barred from entering Costa Rica.

Among other recommendations, the report asked former Costa Rican President Daniel Oduber to resign as the current leader of the ruling National Liberation Party and as vice president of the Socialist International for Latin America. Oduber, the Costa Rican president from 1974 and 1979, must also return approximately $12,000 obtained from drug trafficking and used to finance the political campaign of current Costa Rican President Oscar Arias.

The committee's report also demanded the expulsion of John Hull, a U.S. citizen who owns a farm in Costa Rica through which the contras shipped drugs and received weapons. It also censured Benjamin Pisa, Costa Rican security minister between 1984-86, who was charged with opening an air strip used by traffickers during his tenure.

There is overwhelming evidence, which apparently has not pleased the United States, that government officials—during and after the Reagan Presidency—have done everything possible to lessen the effects of the Iran-contra scandal.

A Costa Rican Government official, who asked not to be identified, told the press that the United States is exerting strong pressure to prevent the Costa Rican Legislative Assembly from condemning former U.S. diplomats and military men linked with drug trafficking activities to finance the Nicaraguan contras.

In the same manner, the CIA is trying to stop the trial of Joe Fernandez, former CIA chief in San Jose, who is seriously implicated in this new scandal.

This is a classic example of U.S. hypocrisy. While it talks about fighting drug trafficking, which threatens the lives of more than 20 million U.S. citizens, in reality Washington protects those who promoted the nefarious trafficking in order not to jeopardize its hegemonistic plans in Central America.

Delegations' Representatives Denounce TV Marti

FL2707125989 Havana Tele-Rebelde Network in Spanish 1100 GMT 27 Jul 89

[Text] Representatives from 28 delegations from Europe, Asia, Africa, and Latin America, who are at Varadero's 26 July Pioneer Camp, sent a message to the U.S. Congress stating that they should not violate Cuba's sovereignty.

The message states that the planned project of establishing a television station in the United States, which will broadcast against the Cuban people, is an offense to those people and is a violation of Cuba's national sovereignty by the U.S. Government. Call it what you will, it is a flagrant violation and foreign intervention against that courageous nation.

The note also states that the undersigned, who are in Varadero, Cuba, reaffirm their support for the Cuban Government and people in their struggle to build a happy future for all Cubans, especially the children, everyone's hope for the future.

Yugoslav Envoy Comments on Bilateral Relations

FL2807015589 Havana Television Service in Spanish 0000 GMT 28 Jul 89

[Interview with Mihailo Popovic, Yugoslav ambassador to Cuba, by Daisy Gomez; date and place not given—recorded]

[Text] [Gomez] Ambassador, relations between Yugoslavia and Cuba will reach 30 years of normalization next October. Relations were established in 1942 but they truly became closer and more vital in October, 1959. Therefore, we would like for you to assess the development of these bilateral relations.

[Popovic, in Spanish] During almost 30 years—you already said Yugoslavia was one of the first countries that recognized the Cuban Revolution and established

diplomatic relations—our relations have developed positively. Because of this and many other reasons we can say today that our relations are better than ever. Our relations are deepened within the framework of the Nonaligned Movement, within the UN system, within the framework the Group of 77, etc.

The ninth Nonaligned Movement summit meeting will be held in Belgrade in September of this year. My country is quickly preparing this important summit meeting. We expect that over 100 member countries and over 30 guest countries will attend. We expect and wish that President and Commander Fidel Castro heads the delegation to the ninth summit meeting. My country and people know him very well and respect him.

Castro Visits Multipurpose Hall in Camaguey
FL2707222089 Havana Radio Reloj Network in Spanish 2100 GMT 27 Jul 89

[Text] Commander in Chief Fidel Castro has characterized Camaguey Province's sports palace as a marvel fit for the new Camaguey. He said this during a tour through the installation known as the multipurpose hall. The Rafael Fortun Multipurpose Hall is located next to the Ignacio Agramonte Square which was used by the people of Camaguey for the first time during the main ceremony marking 26 July.

Bertha Sendra, planning director in the province, briefed Fidel about the construction plans for the city's new political-administrative center and projects that will be built around the Revolution Square. The commander in chief was told that another 26-story building will be built next to the Camaguey Square. He was told that the first steps are already being taken to build the new project.

Castro inquired about the quality of the court, construction in general, and the 13 disciplines that can be practiced at the multipurpose hall. Fidel asked about the possibility of using the beautiful Camaguey installation for other events, a Sylvio Rodriguez performance, for example. He was told that this could be done and that, in addition to cultural activities, it could be used for circus shows. Fidel asked which sports would totally fill the stands with room for 12,000 spectators. He was told this would happen with volleyball games and good wrestling and boxing matches.

The commander in chief said hello to 71-year-old Gloria Gregori Alvarez at Camaguey's multipurpose hall. She works at the hydroeconomy enterprise and contributed over 1,600 voluntary work hours to salute 26 July.

World's Newspapers Note 26 Jul Anniversary
FL2707122789 Havana Tele-Rebelde Network in Spanish 1100 GMT 27 Jul 89

[Text] In their pages, newspapers from countries around the world have noted the 36th anniversary of the assault on the Moncada Barracks.

The Mexican newspaper, EL DIA, has published an editorial entitled: Cuba, That Moral Sun. Meanwhile, the Argentine daily, EL DIARIO SUR, recalled this important date and said that Cuba has the same problems as other underdeveloped countries with the exception that every Cuban child is born with guaranteed nutrition, health, and education.

In the DPRK, NODONG SINMUN, the newspaper with the highest circulation in that nation, highly valued the event and analyzed the great historical significance of the assault on the Moncada Barracks.

For its part, SCINTEIA, the Romanian Communist Party daily, stressed the profound revolutionary changes that have occurred in Cuba.

Also, ceremonies to commemorate the 26 July anniversary have been reported in the Bulgarian city of Varna, Caracas' athenaeum, as well as in Moscow where the Soviet press has noted the significance of this date.

Espin Opens Doctors' Offices, Childcare Centers
FL2707032289 Havana Television Service in Spanish 0015 GMT 27 Jul 89

[Text] Vilma Espin, member of the Communist Party of Cuba Politburo and president of the FMC [Federation of Cuban Women] inaugurated a childcare center and a family doctor's office at Minas Municipality, Camaguey, a day before the main ceremony marking the 36th anniversary of the Moncada Barracks attack was held.

Eight similar medical service installations were opened simultaneously in the territory. This brings the total of family doctors offices to 17. Over 31 percent of the municipality's population is covered with this modality of medical services. Each house-office was built in 38 days as an average. This was considered a record. However, quality which is considered excellent, was not compromised.

For its part, the "Prince of Dwarfs" child care center has all types of facilities for children. [Video shows Espin touring the facility.] Over 170 children are already attending the child care center. A fact that shows the efforts the construction workers made was that each one of them worked an average of 800 voluntary hours in its construction. The child care center doubles the enrollment of children of the municipality in this type of facility.

Matanzas Oil Workers Overfulfill Production
FL2707131789 Havana Tele-Rebelde Network in Spanish 1100 GMT 27 Jul 89

[Text] So far this year, the workers of the Centro Petroleum Drilling and Extraction Enterprise, which is located in Matanzas Province, overfulfilled its goals in both areas. The amount of oil extracted at the end of June was 295,000 tons, over 40,000 tons more than what had been planned.

For this work period, drilling also ended with favorable results. The workers perforated over 33,000 meters. Of the enterprise's 15 perforating teams, 9 overfulfilled their goals. By the end of this year, the petroleum workers of Matanzas plan to perforate over 65,000 meters, 5,000 meters over the planned amount. With this, the workers will guarantee an increase in the amount of oil to be extracted this year, an amount estimated to be 500,000 tons.

Two Arrested for Running Illegal Slaughterhouse

FL2707162889 Havana Radio Progreso Network in Spanish 2230 GMT 24 Jul 89

[Police report]

[Text] The crew of a patrol car of the provincial department of patrol units has discovered in the San Ricardo farm, located in San Miguel del Padron, a clandestine slaughterhouse. Horses were killed at the farm in order to sell the meat at lucrative prices.

When the aforementioned police car was touring through that area of the capital, the crew detected the criminal activity when they noted a suspicious movement of cars toward the San Ricardo farm.

Immediately, the patrol car requested the support of other patrol units and of the 11th municipal unit of the PNR [National Revolutionary Police] of that territory in order to cordon off the area. This action permitted the arrest of the main authors, Antonio Barro and Juan Carlos Valenzuela, who are not employed. During the arrest, the police crew also seized from the authors a scale, several knives, and a large amount of meat from the dead animals, as well as two horses which were ready for their illegal slaughter.

Several other persons were also detained at the farm. They were there to buy the horse meat, and by doing so, they were acting as accomplices to these criminal characters.

For now, the accused are still detained based on their confessions, and are awaiting the precautionary measures that will be imposed on them until they have to appear before the tribunal which will judge and sanction them for the crime of theft and slaughter of bovine cattle.

* Soviets To Exchange Raw Materials for Goods

32480188 Havana TRABAJADORES in Spanish 13 Jun 89 p 12

[Text] As of the end of this year, the Leather and Shoe Union will begin implementing, in four of the country's enterprises, a joint production arrangement signed with the Soviet Union whereby around 1 million pairs of shoes can be produced.

Commenting on this, Benito Albizar, assistant technical director of the union, explained that under this agreement the USSR would ship raw materials for domestic producers to manufacture a specified number of shoes destined for that country. Cuba would be paid with other raw materials which, until now, have been obtained from capitalist countries.

The enterprises which will be taking part are Kaloni (Van Troi) and Coloso (Calzado de Occidente), both in Havana; Ecavul (Onel Canete) of Manzanillo; and Riomar (Manuel del Toro) of Matanzas.

Albizar explained that the increase in this type of cooperation with socialist countries is of great importance for our country due to the lack of foreign exchange and the heavy dependence of domestic industry on supplies from capitalist countries. As evidence of this, only 9 percent of the targeted volume of raw materials have arrived at our ports in the course of the year.

The engineer added that a similar project is anticipated with Czechoslovakia for the next 5-year period—though attempts are being made to advance that. This will allow us to obtain resources which could possibly be invested in new equipment and products which will increase production levels.

Caribbean Affairs

Drug Investigation Team in Virgin Islands

FL2607123289 Bridgetown CANA in English 2047 GMT 25 Jul 89

[Text] Road Town, British Virgin Islands, July 25, CANA—Retired commissioner of police in the Cayman Islands James Stomers is heading a British team now in the colony to probe drug trafficking.

The Stomers delegation is assessing how effective the recommendations in a similar 1986 report were implemented in the British Virgin Islands.

A government statement on Tuesday said the team will also evaluate current levels of drug trafficking and misuse here.

While here the delegation is meeting with British Governor Mark Herdman; Chief Minister Lavity Stoutt; ministers of government; Bryn Anstice, head of the Police Force Drug Unit; and representatives of the British Virgin Islands Council on Alcohol and Drug Abuse (CADA).

From here the team will travel to Anguilla and Montserrat. A similar mission will also be carried out in the Cayman Islands and the Turks and Caicos Islands.

Bahamas

FNM Official Calls on PLP Opponents for Help

FL2707174989 Nassau Domestic Service in English 1700 GMT 27 Jul 89

[Report by Martin Auberry]

[Text] The deputy leader of the Free National Movement [FNM] called on all forces opposed to the PLP [Progressive Liberal Party] to join the FNM. Mr Orville Turnquest's call came during an FNM rally last evening.

Deputy leader of the Free National Movement, Mr Orville Turnquest, said the rally was called at the corner of Farrington Road and Warren Street at the crossroads of three constituencies—Fort Charlotte, Delaport, and Oaksfield—to rally out sufficient support and to officially launch the party's campaign in anticipation of the next general election.

Whilst criticizing the proposed 14 percent increase in electricity rates by the Bahamas Electricity Corporation, Mr Turnquest called on all forces opposed to the Progressive Liberal Party to join the FNM saying that the platform of the Third Force is exactly the same as the FNM.

[Begin Turnquest recording, in progress] ...the Third Force or fourth force or fifth force or any other kind of force. There must be only one force and that is the FNM force. [applause] And if those who would oppose Pindling and the PLP want to see a better government, come and join us. There's a place here for you. There's a place in the leadership for you. There's a place in the ranks for you. There's a place on the candidate's list for you. Come and join us.

I have observed as you have all the plans in the platform of the Third Force being enumerated by Mr Fred Mitchell. [passage indistinct] Every single item appears in the platform of the FNM! So come and join us! Strengthen us! [end recording]

Mr Turnquest said he is determined over the next 2 years to ensure that there is only one opposition force against the PLP in the next general elections.

[Name indistinct] said, even though supporters have space to spare, they must not give up hope.

Dominica

Prime Minister Charles on Grenada Situation

FL2707025589 Bridgetown CANA in English 2240 GMT 26 Jul 89

[Text] Roseau, Dominica, July 26, CANA—Prime Minister Eugenia Charles of Dominica said on Wednesday [26 July] that political coalitions do not work in the Caribbean.

Commenting on the split in Grenada's New National Party, Charles told a radio interviewer; "The party (NNP) was made up of several parts and it is usual for these parties to break away. We saw it happen in Trinidad that in fact coalitions don't last in the Caribbean.

"Let us face it, within one party you have enough differing points of view without having two parties with opposing points of view," added Charles, who helped in the formation of the NNP from three political parties. "Parties that have been talking against each other should never join up."

Charles said she was not surprised by the breakup of the NNP but wished the party had held together to the next general election.

"It is now up to each Grenadian to decide for himself what is the best way of going forward," she added.

Charles added however that former Grenadian Prime Minister Sir Eric Gairy was not her choice to lead the Grenadian people.

"I didn't like some of the things he did in the past and I presume he is a changed man but I don't know. I have no evidence to that effect," Charles said.

CSA: Prime Minister Out To Discredit Them

FL2707174089 Bridgetown CANA in English 1728 GMT 27 Jul 89

[Text] Roseau, Dominica, July 27, CANA—General Secretary of the Civil Service Association [CSA] Arthur Smith says Prime Minister Eugenia Charles is misinformed about public service matters because of her overseas trips. He charged at a news conference that Charles is out to discredit the CSA.

Smith was responding to statements allegedly made by the prime minister on a radio programme that her salaries negotiating team met with the CSA team on a weekly basis until the association discontinued the meetings.

The CSA general secretary quoted from a letter dated October 12, 1987 in which the government team headed by Ossie Symes proposed a suspension to negotiations because the CSA had requested an audience with the prime minister to discuss a number of guarantees being sought by the association. Smith said the CSA "strongly objected to any suspension of negotiations."

The CSA and government are negotiating a new salaries agreement for public servants from July 1988. The government has however paid out an across the board increase of five percent for fiscal July 1, 1988 to June 30, 1989 from February of this year.

Smith said the present status of negotiations is that the government on July 12 offered a five percent increase.

This he said demonstrated "that government is not sitting with us at the bargaining table in good faith."

The CSA is asking for 14 percent for fiscal July 1988, 12 percent for fiscal 1989 and eight percent in the third year beginning July 1, 1990.

Grenada

Mitchell Files No-Confidence Vote Against Blaize

FL2707164489 Bridgetown CANA in English 1624 GMT 27 Jul 89

[Text] St George's, Grenada, July 27, CANA—Dr Keith Mitchell, political leader of the New National Party (NNP), says he has tabled a vote of no confidence in the Herbert Blaize Administration.

Mitchell was sacked from the cabinet last Thursday, [21 July] six months after he toppled Prime Minister Blaize from the party leadership. Blaize, 71, appeared to announce the formation of a new party a day later but on Wednesday he explained that he was just the leader of one of the two factions within the NNP.

In a letter to speaker of the House of Representatives Sir Hudson Scipio, Mitchell lashed out at the performance of Blaize, who has since lost the support of two of his ministers and, almost certainly, the majority of the House.

"The conventional and orthodox road to power has been abandoned by Mr Blaize, who now seeks, by some strange flight of fancy, to jettison the New National Party and its mass support for the illusion of a phantom party and the depravity of betrayal," Mitchell's letter, made available to CANA, said.

The motion questioned "competence and rationality" in administering the affairs of the nation, and said that Blaize's "obviously deteriorating health and physical incapacity place serious constraints on the multi-faceted functions of the office of prime minister."

Blaize's "mercurial behaviour patterns have reduced his cabinet to a group of listless non-performers", the motion said, and "this sad impasse threatens the very lifeblood and productive capacity of our nation."

The motion concluded: "Be it resolved that a vote of no confidence in the prime minister and his government be passed today in this honourable house thereby clearing the way for general elections and a new mandate to the victorious cabinet."

In a letter, also dated July 26, addressed to leader of the opposition George Brizan, Mitchell appealed for the support of the National Democratic Congress (NDC) which controls six of the 15 seats in Parliament.

"Notwithstanding our different overviews of the body politic, I think it is true to say that we are both committed to the ideals of parliamentary democracy," the letter said.

Mitchell told Brizan he anticipated that Brizan will be standing with him "on all fours" when a no-confidence motion against the government is tabled.

In an interview with CANA, Brizan said the position of the NDC is that a letter has been written to the prime minister giving him until August 8 to set a date for general elections to be held not later than November 15.

"We have given the prime minister a deadline," brizan said, "and it is being decent and principled to await a response before deciding what further action to take."

Brizan, and several members of NDC were originally together with Mitchell in Blaize's cabinet until April of 1987 when they left and formed NDC.

Mitchell stayed on until he was dismissed by Blaize last week and, in the interview, Brizan charged that Mitchell had "conspired" to get him and others out of government.

Brizan said that, against that background, he found it strange that a request should come from Mitchell for support for a no-confidence motion in the House against the government.

Haiti

MNPH's Lahens Wants Constitutional Amendment

FL2607145289 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 21 Jul 89

[Text] Alphonse Lahens'party, the MNPH [Haitian Nationalist and Progressive Movement], in a memorandum dated 18 July 1989, made a number of recommendations to the management council of the [Permanent] Electoral Council [CEP]. Lahens suggests elections be held in two steps.

Lahens thinks the Casecs [Administrative Council for the Communal Section] elections should be set aside for the time being. He feels the people currently in those positions, elected in prior elections, could be left in place for the time being, and that the population should be called upon to elect the two legislative corps: the deputies and senators. These two corps should then meet as a constitutional assembly and make some touch-ups to the

Constitution to remove a number of things that a majority of the nation's citizens find abnormal, things which are not in keeping with Haiti's reality. That's what Mr Lahens says.

After the Constitution is amended, Mr Lahens says, presidential elections could be organized on the basis of this Constitution that will have been given a touch-up.

Further on in his memo, Mr Lahens recommends that the executive branch of the government, at the express request of the CEP, immediately publish a decree on the registration on a permanent electoral list of all individuals both male and female who enjoy civic and political rights. A voter's registration card would be indispensable for a person's being able to enjoy all the rights and prerogatives of his Haitian citizenship—that is, it would permit you to participate in elections.

Mr Lahens says permanent electoral lists exist in France and other countries with long-standing democratic customs and would be the responsibility of the communal authorities, instead of employing other people, which might cost too much money. In addititon to the participation of the prefect and the representative of the Department of the Public Prosecutor in this matter, the CEP would have the right to constantly verify and update the electoral lists.

This would be a better way to separate the voter registration operations from the electoral campaigns, which sometimes leads to a number of types of fraud when certain candidates or group leaders, with a view to fraud, seize the opportunity to get their hands on the voters' registration cards—voters whom they then lead submissively to (?their party's) registration offices in order to engage in crooked dealings.

That then, is an excerpt from the recommendations on elections in Haiti that Mr Alphonse Lahens of the MNPH made to the CEP in a memorandum dated 18 July 1989.

CEP Issues Press Release on Recent Meetings

FL2607172689 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 24 Jul 89

[Excerpts] We remind listeners that according to a press release from the Electoral Council [CEP], the CEP received some 49 parties, groups, and civic and political figures, who gave their positions on six points that together formed the framework for the proposals with a view to setting up an electoral agenda. [passage omitted]

In this same press release, the CEP thanks all the participants for their sincere and patriotic collaboration in connection with the meetings held with these different personalities.

CEP Secretary General Pierre on Elections

FL2607181589 Port-au-Prince Radio Nationale in Creole 1300 GMT 26 Jul 89

[Excerpts] [Announcer] The elections to be held soon throughout Haitian territory are at the center of the news in Haiti. We remind listeners that the Permanent [as heard] Electoral Council [CEP], whose job it is to hold elections throughout Haiti, last week received political leaders and heads of political and socioprofessional groups so these people could cast light on how the coming elections could be organized. The CEP members also met with the Army general staff, the high command. They are also going to tour provincial towns to set up an electoral agenda so elections can be held normally in Haiti very soon.

We met with CEP Secretary General Jean Gerard Pierre, who gave us some statements. Mr Pierre said it was the duty of the executive branch of the government to provide security for the members of the Provisional Electoral Council [CEP]. He also said it was up to the executive to provide security for the candidates and for the entire country, for the Haitian people in general, for all voters in the coming elections. That is what Mr Pierre said during an interview with one of our colleagues at the newsroom. We will have you listen to [reporter] Louis Seize France.

[France] After meeting with 49 Haitian political parties and groups on how to organize elections here in Haiti, CEP Secretary General Jean Gerard Pierre told us during an interview that the CEP was going to study all the proposals received from the representatives of political parties and groups and adopt the majority proposals, as democracy requires.

You heard that in the first part of our report.

Today, many observers are wondering if elections are possible, given the current climate of insecurity. According to Mr Pierre, the CEP has taken a number of measures to ensure security during elections. First of all, in a message to the nation on 12 June 1989, they said that it was the duty of the executive branch of the government to guarantee the security of the CEP personnel, the candidates, and everyone who will be participating in the elections throughout the electoral proceedings, from beginning to end. Mr Pierre said, further, that each branch of the government is responsible for certain tasks in the electoral process. [station goes off the air for approximately 45 seconds, returning with Pierre statement in progress]

[Begin Pierre recording, speaking in mixed French and Creole] [Passage omitted] The executive branch of the government is responsible for providing security. [passage omitted] The judicial branch of the government is responsible for everything having to do with judgments. We ourselves are the electoral branch of the government. Our task is to hold elections. [end recording]

[France] Regarding the bad report card—flunk-out grade, so to speak—that the CEP's are in the habit of giving certain candidates who do not meet the requirements of the Constitution of 1987, Mr Pierre told us: An election is not a game. It is something serious. We don't have anyone who is in school. We will not be able to give anyone a flunking grade.

[Begin Pierre recording] Regarding this business of a bad report card, flunking grade, that you are asking me, well, we aren't in a school. Since this is a very serious matter, well, I don't think that our position can be one of taking something as serious as this as a game. What I can tell you is that for the time being, we are not yet into this domain at all. (?We are not) yet envisioning anything like that, and [hesitates] we have not yet discussed this. What we are doing at present is, in general, taking concerted action so as to gather data for our first decisions. [end recording]

[France] As for the future of the elections, Mr Pierre told us he feels optimistic. He knows they are doing a serious job, which will satisfy the demands the entire Haitian people have been making for some time now. He also told us that this is the first time there is a permanent CEP. The others were always provisional. Therefore, all the more reason for them to work, and work seriously.

[Begin Pierre recording] [Passage omitted] In this way we are laying the solid foundations for the institution. [passage omitted] Don't forget that we have two missions: first, to set up the structure, lay the foundations, for the institution known as the Permanent Electoral Council; and second, to organize elections. [end recording]

[France] That was the second part of our report on the CEP. In a future newscast we will talk about other kinds of problems the CEP is confronting.

[Announcer] Also, the CEP members have met with the Army High Command and with the Army commander in chief. On Thursday 20 July, within the framework of their contacts and of the collaboration that is necessary with the government's other fundamental institutions, the entire management council of the CEP met with the Haitian Armed Forces' commander in chief and general staff: Major General Herard Abraham, interim commander in chief; Major General Gerard Lacrete, head of the general staff; Major General Max Valles, inspector general; Brigadier General Andre Jean-Pierre, adjutant general; Brigadier General Serge St-Eloi, G1; Brigadier General Jean-Claude Laurenceau, G3; and Lieutenant Colonel (Jean Robert Gabriel), secretary of the general staff. The people absent from this meeting were Brigadier General Acedius St-Louis, G2, and Brigadier General Roland Chavannes, G4.

The work of reflection between these two government institutions—the CEP and the Army High Command—well, this meeting was on the organization of security for all within the framework of organizing the coming elections in Haiti.

That was a press release signed by CEP Secretary General Jean Girard Pierre.

Also, the members of the CEP announce that they are going to tour the nation's nine geographical departments to inform the Haitian people of the good work they are doing with a view to getting the electoral process under way.

They are going to begin visiting the provinces today, Wednesday 26 July. They are going to the Department of the Northwest and to the Department of the Artibonite. They are going to consult. They are going to seek accurate data so they can set up an electoral agenda.

In a democratic spirit, the CEP has suggested that it meet at the headquarters for the different municipalities with representatives of the different branches of government or government institutions in the provinces. The CEP will also meet with prominent figures from the provinces; representatives of the sectors or organizations that make up the CEP's management council in the provinces; religious authorities—Catholic, Protestant, Adventist, Voodoo, etc—separately; structured organizations from the civilian society; and civic, union, political, sports, etc, organizations.

This CEP press release is signed by Louis Antoine Auguste. [passage omitted]

Further on CEP Secretary General

FL2707162589 Port-au-Prince Radio Nationale in Creole 1300 GMT 27 Jul 89

[Excerpts] The Permanent Electoral Council [CEP] is still at the center of the news here in Haiti due to the elections to be held throughout Haiti. [passage omitted]

The CEP, through Secretary General Jean Gerard Pierre, has declared to the Haitian people that it has great faith in Haiti's destiny, in the destiny of the common fatherland. The CEP wants everyone to believe that it intends—without excessive haste, independently, and with lucid calm—to lay, one after another, the stepping stones that will allow the electoral machinery to operate normally. [passage omitted]

There will be elections in Haiti, but the CEP needs the support of all sectors of the nation, so that everything can go off in an orderly manner. That is why they are making so many contacts. That is why they met with all the sectors theoretically concerned in this matter—so that

the Haitian people can advance (?in) the free (?exercise of democracy). We will have you listen to a talk [reporter Louis Seize France] had with CEP Secretary General Jean Gerard Pierre.

[France] [Passage omitted] Regarding the Sonavesa building on Delmas that is said to be destined for the CEP, Mr Pierre told us that the CEP has not yet received official notification that the building is to be theirs. They are waiting for the Haitian Government to take possession of the building so it can give it to the CEP.

Regarding the electoral offices that must exist in the nation's nine geographical departments, Mr Pierre asked everyone throughout Haiti to present bids for buildings in which the CEP can install the BECs [communal electoral offices] and BEDs [departmental electoral offices] that will allow them to set up the electoral (?machinery). [passage omitted]

Regarding the equipment the first two CEP's had, such as the vehicles [materyel woulant] to permit them to go from one department and commune to another, Mr Pierre said the current CEP found nothing. They are having to start over from scratch.

[Begin Pierre recording] We found nothing. We are having to start over from scratch. We have all kinds of problems and people want us to go fast, without anyone asking themselves what our situation is like as far as materials, as far as what we have to do, etc! [passage omitted] [end recording]

[France] Lastly, Mr Pierre said the CEP's ambition was to hold elections successfully, and satisfy everyone—to have everyone see that the person they voted for was indeed the person who was elected. Mr Pierre promised that the elections would be serious elections.

[Begin Pierre recording] We don't want to hold elections just for the sake of holding elections. We think the country cannot take any more shocks. There must be a normal election, a successful election. By successful I mean an election in which the population participates and which has a system that really does allow verification [kontrol]—and for the population to realize that the people it chose are really the people that are going to go into the government's basic institutions. [end recording]

[France] [Passage omitted] That was an interview we had with CEP Secretary General Jean Gerard Pierre.

RDC's Volel Protests 'Intimidation' at Airport

FL2607193389 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 24 Jul 89

[Excerpts] Fritz Bisserette interviewed Eddy Volel regarding an incident that occurred at Mais Gate Airport as Mr Volel [head of the Christian Democratic Assembly, RDC] arrived from abroad.

[Bisserette] Last week, you heard Gabriel Miracle [of the CATH, Autonomous Organization of Haitian Workers] telling us what kind of intimidation he and his companions, Joel Lubin, Poleus Francois, Fignole (Saint-Cyr), and Maurice Alcindor encountered at the Port-au-Prince airport when they went to pick up Eddy Volel, who was arriving from abroad.

In an interview with Radio Soleil, Mr Eddy Volel tells Radio Soleil listeners about this intimidation to which he was subjected. Let's listen to him.

[Begin Volel recording] [Passage omitted] Upon arriving, I went through immigration normally, and they examined my baggage normally. Gabriel Miracle, Fignole (Saint-Cyr), and four other buddies had come to pick me up.

We got into the car and had almost left the airport—we were far away, out in the street—when a policeman stopped us by pointing his revolver at the tire. We thought he was trying to tell us we had a flat. However, some 4 seconds later he pointed his gun at Miracle, as if he meant to shoot him through the glass, and we understood that there was something strange going on.

Immediately, a number of men with heavy-caliber, murder weapons—machine guns and rifles and all kinds of heavy-caliber murder weapons—appeared. They made us get out of the car and put our hands up and they searched us, as if there were something weird going on. Then they seized the car, the baggage, and everything else, to search it.

They made us turn back and went and locked us up in a little room back at the airport. I must tell you that meanwhile, many of the officers and soldiers were comparing license plate numbers written on their hands with the vehicle's license plate number. Thus, like the others told Radio Haiti-Inter, this was not a routine inspection. [passage omitted]

When we got inside, we stood there for 20 minutes. They never said a thing to us. As we were walking, they had made us understand that we were under arrest. However, after some 20 minutes or 30 minutes inside, they said: Mr Volel, you're free to go. At that point the others said: How about us? And they said: You can go too. So we left. However, we find it strange that things like this can happen. I mean, that same day, someone called us to say that it was the palace that had called and said that we should be arrested.

Thus, I don't know what made them change their mind and not arrest us or cart us off to Ti Tanyin [village off National Highway No 1 heading north where the indigent are buried and also where a number of victims of the current "insecurity" reportedly have been taken].

In any case, we were not surprised. The minute you get involved in politics in Haiti, the minute you defend the rights of the poor, the minute you start defending the nation's territorial integrity, there will always be bums out to kill you. It has been this way since 1804. That's why we want things to change. We of the RDC say that the Haitian people must be allowed to talk, and that Haiti must live according to the laws of Haiti, and not according to the law of a small group that is stealing the country blind. [end recording]

[Bisserette] In a press release issued on 21 July signed by the RDC and by Maurice Alcindor, the following statement was made: We now have proof that it is Prosper Avril's Presidential Guard soldiers [gad pale Prosper Avril] who are creating the insecurity.

We asked Eddy Volel if he stood by this statement, was willing to shoulder responsibility for it. Let's listen to him.

[Begin Volel recording] Yes! This is certain. We said it and we repeat it and we have proof that it is Prosper Avril's Presidential Guard soldiers who are creating the insecurity.

Who was at the airport? Presidential Guard soldiers! Whereas it should be the police and immigration taking care of the airport, and not Presidential Guard soldiers, for the airport is not an extension of the National Palace. [passage omitted] So what were Presidential Guard soldiers doing there? [passage omitted] We don't see how there can be Presidential Guard soldiers, with G.P. on their uniforms, under their boss Prosper Avril exclusively, at the airport. We don't know what they are doing there.

We would like for this situation to be corrected, for them to let immigration and the police alone take care of the airport. We would like for the Palace Guard to leave. We would like for Prosper Avril to remove the soldiers under his command from the international airport. [end recording]

APN Gives Reasons for 28 Jul Demonstration

FL2707155989 Port-au-Prince Radio Metropole in French 1600 GMT 25 Jul 89

[Excerpts] The APN, People's National Assembly, is calling for a demonstration in Port-au-Prince next 28 July to mark the 74th anniversary of the landing of the U.S. Marines in Haiti. The organizers give us some details of the goals of the demonstration. Here is Marcus, who interviewed them.

[Begin recording in Creole, in progress] [Francois] [not further identified] ...organize a demonstration on 28 July to protest the plan to send the OAS to Haiti that the American Government has. It is also to express our solidarity with all the people fired from Radio Soleil because they were protesting against the way the bishops conference wanted them to report the news.

It is also to ask that there be an end to insecurity in Haiti, because we see that this insecurity begins every time there is a problem and the population is mobilized. Every time there is a demonstration or a number of things planned, insecurity appears on the scene to intimidate the Haitian people and to prevent the population from taking to the streets.

Fourth, it is to call for an end to the high cost of living because we can see that from 1986 to the present, the cost of food has risen sky-high. Also, the prices of many things have been raised arbitrarily. There is no control. A person can buy something for 0.20 gourdes abroad and sell it to us for 1 gourde here. So, the demonstration is to protest against these things.

[Marcus] Francois, have you written to the police to ask for authorization to hold this demonstration?

[Francois] Yes, Marcus. On the very day we announced the demonstration, 18 July, we sent a letter to the chief of police, Colonel [Henri Robert] Augustin, informing him that we were going to demonstrate. We are going to gather on the Bicentennaire at 1000 Friday morning. Then we will go down the Bicentennaire, turn up Rue des Casernes, and end up at Occide Jeanty bandstand [on the Champ de Mars, near the National Palace]. [passage omitted]

We are taking the police at its word. It was they who said it had to be done on the Bicentennaire. Thus, we are going to take them at their word and assemble on the Bicentennaire to march. I don't think they can now come up with any excuse to prevent this demonstration from taking place. [end recording] [passage omitted]

CATH Supports Planned 28 Jul Demonstration

FL2707025689 Port-au-Prince Radio Haiti-Inter in Creole 1000 GMT 26 Jul 89

[Text] The CATH [Autonomous Organization of Haitian Workers] has sent us a press release that speaks of what should be done on 28 July. The pre. release begins: Big Demonstration on 28 July.

It has been 74 years—28 July 1915 to 28 July 1989—since the U.S. Marines, with the complicity of a small group of thugs without a fatherland, of a small group of reactionaries, invaded Haiti. Today once again, this same group of assassins is plotting and scheming right and left with a view to trampling our flag underfoot—at the recommendation of many bigshots (?from) foreign countries. Thus, we would like everyone to participate in the demonstration that is to be held on 28 July.

This press release was sent to us by CATH.

CATH Discusses Elections, Unrest in Nation

FL2707145389 Port-au-Prince Radio Metropole in French 1700 GMT 26 Jul 89

[Text] Regarding elections, the CATH [Autonomous Organization of Haitian Workers], which held a press conference this morning, feels that they are not possible for the time being, that elections are only a trick. Rothschild was present at the press conference.

[Begin unidentified speaker recording, in Creole] We see (?a bunch of) obvious signs indicating we are heading straight for another 29 November. I mean, we have noticed that there is a bit of shooting going on all over the place these days—not only in Port-au-Prince and its environs but all over the place, in all towns. There are a number of crimes being committed here and there, all over the place. However, these crimes are not really based on theft. Even though theft is (?often) used as a cover for them, they are political crimes.

I mean, just look this kind of thing went on under General Namphy before the 29 November elections. People would go and (?lock under) people's mattresses and say they were looking for this and that [words indistinct] or I don't know what. Meanwhile, they were doing a bit of damage, creating confusion, creating an (?overall) climate of fear in the country so as to discourage, demobilize a number of people.

I mean, there are a number of people who, like General Avril, for example, tell you they are doing something with one hand. However, he is doing something different with the other hand. Thus, to sum it up, we reiterate that it is the team currently in power, which has been in power for the past 32 years, that is responsible for the economic crisis wreaking havoc in perturbing this country. And it is also they who are responsible for the insecurity. Thus, we could [words indistinct] this team shouldn't be in power, so that there can be proper elections in Haiti so democracy can really take root in Haiti. [end recording]

Those were CATH officials voicing their opinions on the possibility of holding elections soon.

MIDH Holds Regional Congress in Northwest

FL2707030589 Port-au-Prince Radio Nationale in Creole 1300 GMT 24 Jul 89

[Report by correspondent Theodore Megalos Axius]

[Excerpts] The Movement for the Establishment of Democracy in Haiti, MIDH, is holding a 3-day congress in Port-de-Paix. The MIDH's first regional congress in northwestern Haiti opened Sunday 23 July at approximately 1730 at [name indistinct] nightclub. There were more than 150 participants from all the communes of the Department of the Northwest present. [passage omitted]

Mrs Daniele Tardieu Bazin greeted the congress on behalf of MIDH President Marc Bazin and Mr Michel (Gehy), who were unable to attend the opening of the congress. [passage omitted]

Saint Gerard Incident Compared to Soleil Affair

FL2707172089 Port-au-Prince Radio Metropole in French 1600 GMT 25 Jul 89

[Excerpts] Mass was disturbed Sunday [23 July] at Saint Gerard Church in Carrefour Feuilles. Young parishoners attempted to chase away the priest who was saying the mass, a Canadian, as he read the Gospel. Rothschild tells us about it.

[Rothschild] [Passage omitted] The priest saying the mass, (Norman Slieker), who is also the parish priest, left the church to the boos of certain churchgoers who were demanding his departure. [passage omitted] Here is the testimony of one of the churchgoers.

[Begin unidentified speaker recording, in Creole] [Passage omitted] It has been reported that rocks were being thrown inside the church. This is totally false. There were no rocks thrown, and there was no fighting. There were insults exchanged among the young people, for everyone lost his temper. But there were no rocks thrown. [passage omitted] Yes, they did indeed take the microphone away from him. They took it, so he left. That's all. [passage omitted] [end recording]

[Rothschild] [Passage omitted] Certain lay groups openly accuse the parish priest, (Norman Slieker), of having encouraged the transfer of Father Gabriel, who leaned toward the popular church. [passage omitted]

[Begin unidentified speaker recording, in Creole] [Passage omitted] I myself think it would be best if Father (Norman) were to agree to sit down and talk with them, call them in for a talk, so that the error that occurred between the bishops conference and Radio Soleil doesn't occur in Saint Gerard parish. We have reached the point where the faith of the young people is fairly weak. Thus, a little thing like this could shake them easily. They might turn their backs on the church. I would not like to see that happen. [end recording] [passage omitted]

2,000 Commemorate Jean-Rabel Massacre

FL2707030289 Port-au-Prince Radio Metropole in French 1600 GMT 25 Jul 89

[Excerpt] The 2d anniversary of the Jean-Rabel massacre was commemorated last Sunday. Some 1,500-2,000 people assembled in northwestern Haiti to draw up a balance sheet of peasant activities since 1986. These peasants organizations called for justice.

Several other problems were also discussed: the Radio Soleil affair, the climate of insecurity, the attitude of the section chiefs and the big landowners, and marketplace taxes. A balance sheet of repressive activities since 1987 was also drawn up, and the peasants called for organization. [passage omitted]

MDN Official Discusses National Currency

FL2707160889 Port-au-Prince Radio Metropole in Creole 1600 GMT 27 Jul 89

[Excerpt] [Passage omitted] A societal crisis is not solved by issuing decrees, says MDN [Mobilization for National Development] leader Hubert de Ronceray in connection with Haiti's economic situation, particularly with the rapid decline of the national currency. De Ronceray says the decline of the gourde is the logical consequence of the collapse of our social structure.

Analyzing the Haitian monetary situation, the MDN says three key factors explain the weakness of the local currency: the collapse of national production; the psychological climate, which is depressive; and the blockage in the political situation.

A country that does not produce, a country that has ceased to exist on the international market, a country with a rising deficit in the balance of trade, such a country cannot defend its currency, explains this MDN press release.

Further, the MDN explains: A country that has nothing to sell is incapable of bringing foreign currency into the local market.

Commenting on the decree of last 7 July, the MDN does not think the terms of the decree—such as the obligation for commercial banks and transfer houses to deposit currency received from abroad at the central bank, the BRH [Banque de la Republique d'Haiti]—can be applied in this climate of insecurity, distrust, fear, and anarchy.

The MDN's conclusion: A recovery for the national currency is not possible without a clear political choice and a development plan that inspires both national confidence and international solidarity.

Lastly, the MDN links the situation of the gourde to the prospects for elections.

If the military government persists in blocking the prospects for elections, we will go back to a period of "zorey bourik" [literally "donkeys' ears", what people called the gourde when it was devalued under President Florvil Hyppolite] and will run the risk of intervention by the International Monetary Fund to officially devalue the gourde.

Section Chief Abuses in Jean-Rabel Continue

FL2707174689 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 26 Jul 89

[Excerpts] Two years after the Jean-Rabel massacre, nothing about the general situation in that area seems to have changed. The peasants are still demanding justice, as well as the satisfaction of their demands. However, repression continues, and no glimmer of hope is visible for the peasants. [passage omitted] Our Port-de-Paix correspondent today once again reports cases of arrests, pressure, and exploitation against the peasants in that area. The peasants explained the problems to our correspondent, who recorded them.

[Begin correspondent Jean Wilson recording] In Dubois, first rural section of Jean-Rabel, section chief (Alovil St-Vil) began arresting many small peasant farmers yesterday, Monday 24 July. He is arresting all the peasants who gathered on Sunday 23 July in memory of their 300 brothers who died in the massacre that took place in Jean-Rabel 2 years ago. Several of the peasants arrested have paid approximately $30 per head to be released. Those who have not yet been arrested and who don't have any money have been obliged to flee the area. [passage omitted]

The peasants arrested who cannot pay the $30 remain in jail. People don't know if they are at the barracks in Jean-Rabel or at the home of section chief (Alovil St-Vil). [passage omitted]

'Armed Men' Kill Man at Sylvio Cator Stadium

FL2707170789 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 24 Jul 89

[Excerpts] Two armed men killed a young man some 27 years of age with a bullet to the back of the head at the entrance to Sylvio Cator Stadium near the cemetery yesterday, Sunday, at approximately 2030. The young man killed, who is as yet unidentified, reportedly accidentally stepped on a girl's foot as he was entering the stadium. The girl was with the two armed men. She (?complained) that the young man had stepped on her foot, and one of the men with her asked him whether he thought he had a right to do this to an authority's woman [youn fanm chef]. One of the two men with the girl started beating and kicking the young man. Then one of them pulled out his weapon to hit the young man in the head with. However, he shot him in the back of the head instead. [passage omitted]

Three citizens in civilian clothing armed with revolvers shot and killed (Dalismat Maxim) Friday night [21 July] in front of the Prince Nightclub on Martissant 25. [passage omitted] A fight broke out between (Maxim) and three men in civilian clothing whom people present say belong to the 33d Company, the Cafeteria [police post on Boulevard Jean-Jacques Dessalines]. No one knows how the fight came about.

When (Maxim) realized that he was tangling with authorities, he ran off. One of the soldiers, enlisted man (Dafanis Nelio) fired several bullets at him and killed him. [passage omitted]

[Begin unidentified speaker recording] [Passage omitted] They shot him a first time and he ran off toward the beach. They chased him and finished him off. [passage omitted] [end recording]

Shortly thereafter, the soldier who did this entered the nightclub and told his colleagues that he had just killed a pig. His colleagues, who did not like what he had done very much, arrested him and took him to the Cafeteria.

The victim's family spent the entire night looking for the body, but never found it. They found it the next day in the morgue at the general hospital. They say they don't know why (Maxim) was killed, and they are demanding justice.

Investigation Into Delpe Murder Continues
FL2707173589 Port-au-Prince Radio Metropole in French 1600 GMT 26 Jul 89

[Excerpts] The police in Port-au-Prince are still calling in Delpe family members within the framework of the investigation into the murder of Gregory Delpe at the beginning of this month. Rothschild?

[Rothschild] [Passage omitted] Two more members of the Delpe family were called in by the head of the Investigations and Anti-Gang Service, Major (Claireje-une). Turneb Delpe and Gregory's father were questioned separately for 2 hours. The atmosphere was normal, said Turneb Delpe, a political leader and Gregory Delpe's brother. He gives us an account of the questioning.

[Begin Delpe recording, in Creole] The questioning revolved mainly around two aspects. They still have questions as to how the murderers got into the house. The second aspect was the autopsy photographs. They showed me all the pictures they took, and according to the forensic report following the autopsy.... [changes thought] Regarding the photographs, the report says that the photographs reveal bruises, and for the investigators, particularly for the major who was questioning me, these bruises mean that there must have been a struggle inside the house. So they asked me if there was a struggle inside the house, before the murderers killed Gregory. [end recording]

The Delpe family stands by its statement to the effect that Gregory was murdered by two armed individuals who then made off with $4,000. However, the Delpes are wondering why the Port-au-Prince police want to focus its investigation on the Delpe family members, instead of going and seeking the murderer elsewhere. [passage omitted]

One of Gregory Delpe's sisters is to be questioned by the Port-au-Prince police this week. [passage omitted]

Land Conflicts in Artibonite Valley Continue
FL2707183589 Port-au-Prince Radio Nationale in Creole 1300 GMT 26 Jul 89

[Excerpt] The matter of conflicts in connection with the distribution of land is much in the news these days. Mr Paul Dorcelus, from the fifth communal section of Saint Marc came by Radio Nationale yesterday, Tuesday, to ask the Justice Department authorities to conduct a proper investigation into some land that he and his family inherited but that large landowners have seized. Jacob Virgil will give us more details on this.

[Virgil] Many people are wondering when people will stop fighting over land in the Artibonite Valley, stop dying in or having to flee into hiding after big battles over land in the Artibonite Valley.

This is a very difficult question to answer considering how such conflicts usually begin in Haiti. Furthermore, the rightful owners of these lands almost never win in court. Why? We think there are several reasons for this.

The people who seize the lands have money and can hire any great lawyer to defend them; whereas the rightful owners of the land have usually lost the titles to the property they inherited from their grandparents. These people, who lose their land unfairly, always wait for there to be violence in the country to take up their machetes, picks, rocks, and so forth and go reclaim the land that the courts refused to award them. Even if they manage to recover the land and work it for a year or two, or even longer, the battle always begins anew, sooner or later, worse than ever.

In this connection, we received in our studio Mr Dorcelus Paul from the fifth communal section of Saint Marc, who says that in 1961, a few people seized 168 carreaux [1 carreau = 1.29 hectares] of land that they inherited from their grandparents upon the latters' death. Back in 1961, they could take no initiatives to get the land back because the people who had seized it were (?powerful) large landowners. However, after the 7 February 1986 events, they took the land back and worked it for 2 years with no problems. However, in 1988, the same old group of people went back onto the lands, where they had peasants arrested and imprisoned.

Mr Paul says that he spent 4 months and 22 days in jail and spent $2,800 before they released him on 28 August 1988. However, he has since been unable to even pass through the area. He is in hiding.

Why? Mr Paul says that the section chief, Mr (Crane Fils-Ain e), has been made watchman of the land by the people who seized the 168 carreaux of land.

[Begin Paul recording] Why was I put in jail? Because the authorities cut crooked deals with the people who seize the land. In fact, many of the people who are in possession of lands are authorities themselves. I have been in hiding, with them trying to arrest me, since 3 November. I have never been able to return home. When they go there and don't see me, they shoot at the rest of my family. [passage omitted] [end recording]

Power Failures Shut Down Les Cayes Radio

FL2707184789 Port-au-Prince Radio Soleil Network in Creole 1830 GMT 25 Jul 89

[Report by Les Cayes correspondent Auguste Jean Raymond]

[Excerpts] It looks as if there might soon be a solution to the power failures that Les Cayes has been having to put up with for approximately 4 months now. [passage omitted]

Radio Men Kontre in Les Cayes had to shut its doors and stop all its broadcasts because of the constant power failures. [passage omitted]

Jamaica

Alcoa Plant Workers Strike on 5th Day

FL2707030189 Bridgetown CANA in English 2249 GMT 26 Jul 89

[Text] Kingston, Jamaica, July 26, CANA—Negotiators were on Wednesday [26 July] night seeking to find a settlement in the five-day-old pay strike at the Alcoa (Clarendon Alumina Works) refinery in south central Jamaica. The partners in the dispute were huddled at the concilation service of the Ministry of Labour.

Production workers at the Alcoa Plant went on strike on Saturday [22 July] morning to press their demands for increased salary and fringe benefits. The workers are asking for a 23 percent increase in salary with 11 percent increases in succeeding years of the contract.

Previous talks have broken down because the company had said that it could not move beyond the 10 percent wage guideline laid down by the government. The strike can prove costly to Jamaica given its precarious foreign exchange situation and could impact negatively on a U.S.45 million dollars pre-financing arrangement which Alcoa has with the Marc Rich organisation.

The strike is costing Jamaica between 100,000 to 200,000 U.S. dollars per day in foreign exchange, acting Governor of the Central Bank Owen Jefferson has said.

Nation Passes IMF Test, Awarded Aid Package

FL2707181489 Bridgetown CANA in English 1542 GMT 27 Jul 89

[Text] Kingston, Jamaica, July 27, CANA—Jamaica has passed the June test of the International Monetary Fund (IMF) and has been rewarded with a new economic aid package for the fiscal year 1989/90, Deputy Prime Minister P.J. Patterson said. Making the announcement on Wednesday night at the first anniversary dinner of the Jamaica RECORD newspaper, Patterson said that Jamaica will now be entitled to the March and June draw-downs which now become available. These two provisions, he said, would enable Jamaica to marshall additional foreign exchange reserves which are necessary to meet its obligations and which will be used in programmes which can ensure meaningful economic growth.

The March draw-down under a U.S.114 million stand-by agreement negotiated under the former government of Edward Seaga was postponed pending the outcome of the June 30 performance test.

Under the new IMF agreement, there will have to be an improvement in the net international reserves by U.S.195 million. The external accounts deficit must be kept at 3.5 percent of gross domestic product, the exchange rate must be kept at a stable level, the public sector deficit must be kept at 4.3 percent. The agreement also calls for a 4 percent growth rate for the year and an inflation rate of no more than 9 percent.

The new economic package was ratified by the IMF board at its meeting on Wednesday.

St Lucia

Country Records 6 Percent Growth Rate

FL2507153689 Bridgetown CANA in English 2342 GMT 24 Jul 89

[Text] Castries, St Lucia, July 24, CANA—St Lucia experienced a growth rate of about six percent during the first half of this year, with all sectors showing a steady improvement, according to Prime Minister John Compton. Compton said that the agriculture sector continued to be the main income earner, with a 5 percent increase in production over the first six months of 1988.

"This is in fact the highest increase that we have recorded so we expect that if there is no adverse weather, banana production for 1989 will be the highest we have ever achieved, some 135,000 tons," Compton, who is also the finance minister, told CANA. Just over 125,000 tons of bananas were shipped in the first half of 1988.

Compton said that the price of the fruit has been relatively good, except that the value of the pound sterling, vis a vis the U.S. dollar, to which all English Caribbean currencies are tied, has dropped. "We have

suffered seriously from the depreciation of the pound or the appreciation of the dollar, so that we are receiving less money for our exports," he said.

Compton said that the construction industry is booming, to the extent that government is watching it "very carefully." Construction and agriculture essentially draw their labour force from the same source and because of the better wages being paid in construction, more and more people are being drawn to that sector, to the detriment of agriculture production, he explained.

"This is an area we have to watch extremely carefully. The construction industry shows signs of overheating; but of course we still have a problem of employment, although the rate has dropped significantly, particularly among males," Compton said. "We still have an unemployment problem with some school leavers and some categories of women; but because of the demand of the construction industry, unemployment among males had dropped significantly," the prime minister added.

In the area of tourism, Compton said that St Lucia was enjoying another good year, with the summer promising to be quite good.

"The occupancy rates at the hotels are high and there has not been the customary seasonal lay-offs, with most hotels holding on to their staff," he said.

Well-informed sources said that last week government signed an agreement with Sunset Bay Development Company for the construction of a 350-room hotel on a section of the Pigeon Island Causeway. Negotiations for the erection of another 350-room hotel also on the causeway are currently underway with Carnival Cruise, one of the world's largest cruise line companies. The talks should be concluded by September. The source said the resorts are among four targetted for the north of the island, with work on the Royal St Lucian Hotel situated about a quarter mile from the causeway having already started.

On the industrial front, exports have been on the increase especially to the member territories of the Organisation of Eastern Caribbean States (OECS), Compton said. He gave no figures, but said a "sizable portion of our goods are being sent off to the extraregional markets."

Compton said that the manufacturing sector was growing to the extent that a labour shortage has been created in the south of the island, where St Lucia's industrial free zone is located.

"Part of the reason for this is because of the high cost of transportation to the area, so that government has appointed a committee to investigate ways of reducing that cost to the workers," he said.

"All in all, we are extremely pleased with the performance of the economy during the first six months of the year and what we have achieved thus far will sustain us for another three to five years," the finance minister said.

Trinidad and Tobago

Prime Minister Accused of Contempt for Opposition

FL2707181189 Bridgetown CANA in English 1733 GMT 27 Jul 89

[Text] Port-of-Spain, Trinidad, July 27, CANA—The TRINIDAD EXPRESS on Thursday accused Prime Minister A.N.R. Robinson of treating the official opposition with contempt.

It was dealing specifically with his failure to supply answers to follow-up questions on his linking of five former ministers with illegal drugs.

In an editorial titled "Deafening Warning Bells," the paper cited a number of instances in Parliament last Friday in which Robinson refused to give any more details on the source of his information linking the five former ministers to drugs.

The opposition was subsequently told this week that officials had misplaced the "confidential" letter Robinson read in Parliament said to be written by the then [words indistinct] a government commissioned enquiry into the [words indistinct] narcotics trade.

"Unmistakably, it betrays a fundamental contempt for the opposition in Parliament and a just as heinous contempt for the country," the EXPRESS said. "Why was not the letter more carefully kept? And why was no copy made for parliament or for the opposition?" the paper asked.

"We regret to say that we believe that deafening warning bells are ringing when a prime minister displays such casual contempt for the conventions of the parliament system under which the nation's political life is conducted."

The paper went back to the original narcotics bill debate in which Robinson first gave the names. It said that the losing of the letter was not an isolated incident and that it was through such actions "that the nation is able to judge the character and intentions of its leaders. Power always has to be circumscribed by the conventions of the system within which it operates and no leader should ever seem to be expressing disregard for those conventions precisely because they help to limit, to temper the power of the office which he occupies," the EXPRESS concluded.

Sugar Union Faces Electoral Fraud Charges

FL2507231289 Bridgetown CANA in English 2131 GMT 25 Jul 89

[Text] Port-of-Spain, Trinidad, July 25, CANA—Rather than settling a sometimes bitter feud in Trinidad and Tobago's major sugar workers union, an election result has fuelled the strife with charges of "massive electoral fraud" being thrown at the union executive led by prominent parliamentarian, Basdeo Panday.

Panday, as leader of the almost 8,000 strong All Trinidad Sugar and General Workers Trade Union (ATSGWTU), retained his long-standing post as leader of the union since the post was uncontested.

The rest of his team who have come to be known as "the Panday faction" also managed to win all the positions for executive officers in the Monday [24 July] elections.

A faction of the union, calling itself Sugar Workers for Justice (SWJ) and using the claim of corruption in the union as their platform, has termed the results "the perpetration of a massive electoral fraud."

Advised by Attorney Dave Persad who had attempted previously to oust the Panday faction from the union's leadership, the SWJ said in a statement on Tuesday [25 July] that prior to the elections it had been "frustrated and harrassed at every twist and turn" by the chief elections supervisor and the elections committee. The SWJ accused the supervisor and the committee of carrying out "undemocratic acts" and showing "gross contempt for the opposing candidates."

The faction claimed that on Monday 90 percent of the presiding officers and poll clerks refused to cooperate with its candidates, some filled out ballot slips for workers and the ballot boxes were moved overnight to "unauthorised areas."

"The elections in the union (have) only served to further expose the present executives undemocratic rule, and has confirmed in the minds of sugar workers the burning need to continue the struggle to rid themselves of the present anti-democratic ... unions executive," the SWJ said.

Persad indicated to CANA that they might demand another election and that the group would "resist the undemocratic practices and continue to struggle for democracy in the unions."

A report on the alleged malpractices is to be made available to workers and a meeting is expected to be held to determine what further action is to be taken.

Union supervisor of the election, Anand Tiwari told CANA that the Panday group had made a clean sweep of the election and that some 50 per cent of the 7,596 persons eligible to vote had done so.

"The people have decided who they want to lead the union and they have proved it according to results of the election," he said on Tuesday.

Former NAR Members Plan To Launch New Party

FL2507204689 Bridgetown CANA in English 2033 GMT 25 Jul 89

[Text] Port-of-Spain, Trinidad, July 25, CANA—One of the political groups which disbanded in 1986 to form the National Alliance for Reconstruction has resurfaced and is making moves to launch a new party here, insiders say. The Tapia Group, one of four parties merged to form the ruling NAR, and whose leading members left the alliance shortly after its formation, reportedly began work on Sunday to start the new party.

Tapia leader, Lloyd Best, is credited with the suggestion of a "party of parties" which first led to the formation of the NAR which brought about the country's first change in government in 30 years in December 1986.

The Tapia Group has already organised a series of meetings across the country which have brought out political activists, economists, former ministers, and academics to hear Best's ideas on how a new "party of parties" should work.

Best was at the helm of a Sunday meeting at Port-of-Spain's Holiday Inn Hotel attended by members of the NAR, the opposition Peoples National Movement (PNM), and the United Labour Congress (ULC)—another NAR breakaway group—and the Committee for Labour Solidarity (CLS), which plans to launch a party in the near future.

Best said his initiative involved setting off a public debate on what should be the next way to merge what he called the "conflicting interests" in Trinidad and Tobago. "We're not looking at a merger at all...we're telling the country it needs a new initiative and we're putting down the procedures," he added.

Best described the likely result of such talks as some form of coalition party, including the country's various ethnic and other interest groups. The political economist cited the lack of mechanisms for various interests to be addressed within the NAR as part of the cause of its internal bickering and decline in popularity.

Following the fall-out in the NAR in which Prime Minister A.N.R. Robinson threw out the bulk of the former United Labour Front (ULF) political interests in his cabinet, the ULF members launched their new UNC party on April 30.

The CLS—a labour-based grouping—says it plans to launch its party sometime this year.

The NAR, meanwhile, has recently launched itself of what Prime Minister Robinson described as an exercise of building bridges with the population.

The Tapia Group met Monday night and meets again next week to plan its next step.

New President Named to Media Association
FL2707181089 Bridgetown CANA in English 1534 GMT 27 Jul 89

[Text] Port-of-Spain, Trinidad, July 27, CANA—Trinidad and Tobago's journalists body, the MEDIA ASSOCIATION (MATT), has a new president in Wesley Gibbins.

Gibbins, a former EXPRESS newspaper reporter and current deputy manager of news and current affairs at NBS 610 radio, was elected after former president, Andy Johnson, declined to stand for re-election after being at the helm for Matt's first two years of existence.

Delivering his final report at Wednesday night's MATT annual general meeting [AGM], Johnson chided the country's journalists for being less interested in their own association than other bodies. Pointing to MATT's representation on a number of national bodies and membership in the Caribbean Association of Media Workers (Camwork), Johnson described active participation by the journalists themselves in their two-and-a-half year old body as "depressing." "We just have to do better than that" Johnson told the AGM.

MATT's new executive for the 1989/90 term is: president—Wesley Gibbins (NBS-610); vice president—Debra Ransome (CANA); secretary—Suzanne Morris (HEAT newspaper); assistant secretary—Elizabeth Solomon—Armour (freelance journalist); treasurer—Anthony Gittens (Trinidad and Tobago television); trustees—Kenneth Toppin (Radio Trinidad) and Ramjohn Ali (HEAT); floor members—Lennox Grant (TRINIDAD GUARDIAN) and Maxie Quffie (TRINIDAD EXPRESS).

Salinas Sends Message to Polish Leader 23 Jul

PA2807035889 Mexico City EL DIA in Spanish 23 Jul 89 p 3

[Message addressed to Polish Premier Mieczyslaw Franciszek Rakowski by President Carlos Salinas de Gortari on the occasion of Poland's National Rebirth day on 23 July]

[Text] On behalf of the Mexican people, I am pleased to send warm greetings to Your Excellency on the occasion of Poland's national rebirth day.

I wish you happiness and hope to bring the ties of friendship between our two nations even closer.

Further Reportage on Economy, Debt Agreement

Editorial Hails Accord

PA2807040389 Mexico City UNOMASUNO in Spanish 24 Jul 89 pp 1, 16

[Editorial: "Shared Merit; Social Debt; the Other Challenge]

[Text] No one can deny the importance of the agreement reached last night between the Mexican Government and its creditor banks, which lays the foundation for solving an extremely grave problem and which helps lift the heavy burden of the foreign debt from the Mexican people. The agreement, reached 8 months after President Carlos Salinas de Gortari began his presidential term, assures Mexico's economic and financial future for the next few years and promises to broaden the possibilities of overcoming the crisis. Everyone should take credit for this.

Regardless of the harsh figures that the country knows about (a 35-percent reduction of the $53-billion in principal that Mexico owes foreign creditor banks or a 6.5-percent interest rate), we must draw attention to the repercussions that this agreement will undoubtedly have on the fulfillment of another important pledge: the revolution's social debt to millions of Mexicans.

Today, more than ever, we can assert that the nation deserves credit for this. Mexico's negotiating team, led by Carlos Salinas de Gortari, deserves credit for reaching an agreement under the best possible conditions, but the Mexican people must undoubtedly be given full credit for stoically withstanding the rigors of deprivation. Both the government's and the people's efforts have an even greater result: the maintenance of social peace.

The terms of the agreement, which include receiving $3 billion in fresh capital every year for the next 4 years, lays the foundation for the return of Mexican capital now deposited in foreign banks, and for the beginning of a new and cautious phase of recovery, growth, and development.

Mexico is once again at the center of international attention. Although we cannot claim that the new mechanism will contribute to the solution of all developing nations' foreign debt problems, we trust that it will provide viable options for solutions to the crises in other countries. No world power would be foolish enough to deny right now that a nation's economic tranquillity ensures political peace and stability, and vice versa, or that the increase of any nation's debt will be a permanent origin of violence.

As far as Mexico is concerned, no one can say that we have found a final solution. However, we cannot forget that yesterday's agreement is an unprecedented achievement, bringing us closer to a permanent solution to the crisis that has suffocated the country for almost 12 years. We must look calmly toward our future; the country's economic situation requires everyone's sustained efforts. The social aftermath of the foreign debt still demands urgent solutions, which have been postponed for a long time. Between 1982 and 1989, Mexico has transferred abroad an amount of money that is almost equivalent to its entire debt.

Therefore, it is appropriate to heed the president's appeal for national solidarity and unity. Without that, yesterday's agreement would not have been possible. Mexicans cannot face the future without that prerogative. Other Latin American countries have also tried to negotiate on a new basis with creditor banks, and they have tried to use new schemes for development amid crises—but a lack of unity prevented their success.

We must avail ourselves of the benefits derived from this lesson, and cautiously begin, with firmness and unity, to take the urgent road to recovery. Everyone will profit from this.

Public Credit Director on Debt

PA2707223289 Mexico City XHTV Television in Spanish 0200 GMT 26 Jul 89

[Interview with Carlos Ruiz Sacristan, director general of public credit of the Finance and Public Credit Secretariat, by station announcer Amador Narcia at television studio—live]

[Text] [Narcia] We have with us tonight Carlos Ruiz Sacristan, director general of public credit of the Finance and Public Credit Secretariat, who will speak about the agreement the president told us had been concluded on Sunday with Mexico's creditors in Washington. Thank you for being with us. Could you please explain what exactly is the agreement concluded last Sunday, what was agreed, and why is it said that it is an agreement in principle?

[Ruiz] Good evening. Last Sunday, the Mexican Government reached an agreement with commercial creditors, international commercial banks, by which we are trying to negotiate over $53 billion. First, allow me to say

that this is an agreement in principle, as the agreement was reached with representatives of the banks. Our creditors total 500 credit institutions. Now, we will meet with them within the next few weeks to formally conclude the agreement.

We reached agreement with representatives of some banks, and now the agreement must be concluded with the 500 banks. We concluded the following: Basically, we offered them a choice of three options, from which the banks can freely choose. The first option is to reduce by 35 percent the principal of the debt. This means that any bank that decides to accept this option will reduce by 35 percent the debt Mexico has with that bank. The second option is to reduce interest rates. The current rate of interest is approximately 10 percent, and the banks making this choice will reduce the interest rate to 6.25 percent. Finally, other banks might choose to lend us fresh money. If such is the agreement, the total amount of money involved is $3 billion per year.

It is important to answer some questions the people have. Some wonder if the three choices could be totaled, and we could end up with one bank reducing the debt by 35 percent while simultaneously reducing the interest rate, and then lending us fresh money. No, that is not the case. The banks will choose one of the three options, or a combination of two that will add up to a specific amount. It is not the sum of the three options.

[Narcia] It is important to clarify this, because it appears as if the debt had been reduced, the rate of interest had been reduced, and, we were going to receive more money. Do you know which banks are going to choose which options, and how this is going to be distributed? I have heard that 60 percent of the banks will reduce the rate of interest, 20 percent of the banks will grant fresh money, and the remaining 20 percent will reduce its debt by up to 35 percent. Is this correct?

[Ruiz] We will have the final details once the agreement is signed with the 500 banks. However, we have discussed with bank representatives that the choice will be made approximately in the proportions you have just mentioned. We hope that 80 percent of the banks will choose the option of reducing the debt and 20 percent will choose the option of fresh money. However, we will have these details once the negotiations with all the institutions are concluded.

[Narcia] It has also been reported that the transfer of capital abroad will be reduced from 6 to 2 percent of the gross national product [GNP]. What does this mean? Does this mean we will pay less money per year? How much money does this represent per year for Mexico?

[Ruiz] Reducing the transfer of capital abroad means the following: The country was paying annually 6 percent of the GNP to service the debt. Now, we will continue to pay service on the debt, but we will pay only approximately 2.5 percent. This means there is a savings of 3.5 percent. This savings is not the result just of reduction in the interest rate, or reduction in the principal, but also of the fresh money we will receive. In sum, we will pay less and we will receive more. In net terms, we will reduce the transfer by approximately 3.5 percent.

[Narcia] There will be more money. How will this additional money be used?

[Ruiz] The president of the republic and [Finance and Public Credit Secretary] Pedro Aspe recently said that public expenses will not increase even though the country will have more resources. This will allow us to make more productive investments and increase employment sources in the future. It will also give us access to internal money markets to finance the resources needed for public expenses in the near future.

[Narcia] What would happen if things took a turn for the better or the worse concerning internal oil prices? Would we pay more to the banks? Would we pay less to the banks? Would we get more credits?

[Ruiz] We reached an agreement with the banks. We agreed that if oil prices increase and if Mexico's oil revenues increase and remain stable over a certain period of time, in approximately 6 years we would increase our payments to institutions that have chosen the option of debt reduction. In case a substantial increase in oil prices ever occurs and the country's oil revenues remain stable, Mexico would increase foreign debt payments effective June 1996—to banks that have chosen to reduce either the principal or interest rates in this new negotiation, and if the situation I described takes place.

Conversely, if oil prices drop and the country's oil revenues decrease below 1989 levels, the country would receive additional credits to compensate for the loss of revenue.

[Narcia] In other words, if things go well, we will pay slightly more, and if things go badly, the banks will lend us more money.

[Ruiz] That is right.

[Narcia] Now that we have reached an agreement with the banks' representatives, there is talk about a third option in the proposal, receiving fresh resources. How can a debt be paid off by becoming more indebted?

[Ruiz] This is possible even though is sounds like a paradox. One way to use fresh resources is to reduce the debt. You know that Mexico's foreign debt is quoted at a much lower price in secondary markets, therefore part of the fresh resources could be used to reduce the debt. In other words, Mexico's foreign debt can be reduced by buying it in secondary markets. That is why we say that the debt can be reduced.

Now then, the amount that results from a total reduction using fresh resources must be compared with the amount of resources available in the country—not only the resources we will get from commercial banks, but also from the IMF, World Bank, and other sources. The final result will undoubtedly be a reduction in the overall balance of Mexico's foreign debt with foreign banks.

[Narcia] The agreement in principle implies that the banks have yet to say what they decided about the list of options presented by the Mexican Government. This must involve a lengthy process, because 500 banks have to send their replies. When and how will the result be known? What will happen in the meantime? When will the agreement become effective? Is it retroactive?

[Ruiz] The process is somewhat long. It normally takes 6 months, because the banking institutions must be visited. They already know about the agreement, because their representatives voted in favor of the agreement—but additional work is undoubtedly necessary. Like I said, it normally takes 6 months. Now then, we reached an agreement with the creditors, no matter how much it takes to sign the respective contracts, the agreement will be retroactive to 1 July. Mexico will continue to pay interest abroad, but once the corresponding agreements are signed, the creditors will make the necessary adjustments to compensate us for the payments we have made since 1 July. Therefore, the agreement is retroactive to 1 July.

[Narcia] In other words, if we pay more than we should, they will either return the money or make a deduction.

[Ruiz] The interest rate will be adjusted.

[Narcia] If there is an agreement concerning part of the foreign debt, approximately 50 percent, what will happen with the rest of the money Mexico owes other creditors?

[Ruiz] Mexico reached an agreement concerning $53 billion; the country still owes $47 billion. A total of $10 billion of the $47 billion is owed by the private sector, but most of the private sector's debt has been renegotiated. You must recall that some time ago the private sector's foreign debt was approximately $25 billion; it now only about $10 billion.

In addition, $10 billion of the $47 billion I mentioned is owed to the Paris Club members, and there are other bilateral credits. This was also part of the agreement and the Paris Club agreed to renegotiate the principal and 90 percent of the interests. In other words, this issue has not been settled.

We also owe about $10 billion to the World Bank and the Inter-American Development bank. They have already.... [changes thought] We reached an agreement and they will give us fresh resources—approximately $2 billion. The rest of the money, approximately $7 billion, is owed to the IMF. Both the principal and interest of the entire debt, meaning $47 billion, have been renegotiated in one way or another—or the respective creditors have given us additional credit to compensate for the additional payments we will have to make in the near future.

[Narcia] That is why the agreement reached on Sunday is so important. The biggest or most important part of the debt was pending renegotiation.

[Ruiz] Yes, that was the last phase [rephrases] the last portion pending renegotiation.

[Narcia] One last question, if I may. People want to know how these negotiations take place. We learned that the finance secretary traveled abroad and returned, that he met with our creditors. It would be interesting for the people to know how these negotiations take place. Where are they actually held and how?

[Ruiz] Yes, of course. Several negotiations are carried out. One meeting is held at the political level. The financial authorities of the countries in which these banks are located.... [changes thought] For example, when it involves U.S. financial institutions, we talk with them in their offices in Washington or [name indistinct]. With regard to meetings with the banks, we could not possibly meet with 500 credit institutions at the same time in one room. That is why there is an advisory committee.

A certain number of banks—19 banks in this case—represent all the other institutions. Each of the committee members represents four or five banks and talks on their behalf. Sometimes the negotiations are delayed, because proper consultations must take place. The representing bankers must not only consult with their own institutions, but also with other banks that do not participate in the committee. The meeting is held behind closed doors and is attended only by those who represent the banks and the Mexican Government's representatives. This way we hold a dialogue with a relatively small number of people.

[Narcia] We thank Mr Carlos Ruiz Sacristan, director general of public credit of the Finance and Public Credit Secretariat, for accompanying us this evening.

[Ruiz] Thank you.

Bridge Loan To Boost Reserves

PA2807021489 Mexico City THE NEWS in English 26 Jul 89 p 100

[Text] As he confirmed that Mexico will receive a bridge loan of between 1.5 billion and 2 billion dollars within the next few months, Finance Undersecretary Jose Angel Gurria said Tuesday the money will be designated to strengthen the nation's foreign reserves.

Gurria, who with Finance Secretary Pedro Aspe were recognized this week for their efforts in the debt negotiation, said repayment for the forthcoming bridge loan would be covered with the reduction that was achieved by the "in principle" accord with Mexico's more than 500 creditor banks. The agreement was announced Sunday night by President Carlos Salinas de Gortari.

"Since the bridge loan is retroactive to July 1, it could be repaid with the money saved through any of the three options," Gurria said. "The options are a 35 percent debt principal reduction, an interest rate reduction (to a rate of 6.25 percent, amounting to about 40 percent total debt reduction), and fresh credits," Gurria said at the National Palace.

Gurria explained that the bridge loan will be devoted to easing the country's debt obligations and helping its economy while the accord becomes effective with ratification by the more than 500 creditor banks involved—a process expected to take up most of the remainder of the year. The loan, totaling between 1.5 billion and 2 billion dollars, was extended by the United States and other industrialized countries.

Gurria said the transition loan would be delivered in August or September.

Meanwhile, Antonio Ortiz Mena, president of Banco Nacional de Mexico (Banamex) and former president of the Inter-American Development Bank (IDB), said that because of the debt accord, Mexican capital invested abroad had begun to return. He said he expected more return in the near future.

Ortiz Mena did not give figures on how much capital had returned.

Domestic Debt Shows Increase

PA2807012989 Mexico City THE NEWS in English 23 Jul 89 p 44

[Text] The Mexican Government's domestic debt reached 104.7 trillion pesos (about 43 billion dollars) at the end of April, an increase of 44.4 percent over the December 1988 level, Banco de Mexico reported this week.

The central bank's indicators show that the federal government's domestic debt has grown 17,000 percent during the past 10 years, bringing the debt from 618 billion pesos in 1980 to 104.7-trillion-peso mark last April.

About 56 percent of the debt corresponds to government-issued treasury bonds or Cetes. As of April, 58.3 trillion pesos of the debt were held in the bonds, representing a 38.7 percent increase over the Dec 31, 1988 level, the bank reported.

The central bank owed 19 trillion pesos on the outstanding Cetes, while Mexico's state-owned commercial banking sector owed 11.24 trillion pesos on Cetes and private sector businesses owed 27 trillion on Cetes, Banco de Mexico reported.

Petrobonds worth about 860.6 billion pesos were issued and distributed among the banking and non-banking financial sectors.

Debt issued in the form of Development Bonds, or Bondes, rose to 35.15 trillion pesos by the end of April.

The remainder of the domestic public debt was held in bank indemnity bonds, federal promissory notes called Pagafes and other financial instruments, the central bank reported.

1st Quarter Reserves Reported

PA2607035589 Mexico City THE NEWS in English 21 Jul 89 p 39

[Text] Mexico's international reserves stood at 6.0145 billion dollars at the end of the first quarter of 1989, Banco de Mexico reported this week.

Net transfer of funds for foreign debt payments during the first quarter of 1989 amounted to 875.2 million dollars, 731 million dollars of which corresponded to government debt payments and the rest to private debts, according to the central bank.

Banco de Mexico reported that the 537.3 million-dollar decrease in reserves went to cover a current account deficit for the quarter of 932.2 million dollars.

PRI Militants Discuss Suggested Party Changes

PA2707210989 Mexico City THE NEWS in English 24 Jul 89 p 4

[Text] Institutional Revolutionary Party (PRI) militants Sunday discussed ways and means to carry out suggestions presented by a specialized commission to seek new political expressions and to ratify their will to bring about major changes in the party.

Sergio Tomai, PRI secretary in Baja California, where the official party lost gubernatorial and legislative elections recently, presented a complete diagnosis on resistance against renewal by the party's leaders in the northern state.

Sen Roberto Madrazo Pintado, representing party national president Luis Donaldo Colosio, insisted on PRI transformation as a commitment of the PRI national executive committee.

The meeting was attended by a group that has been dubbed the "critical current" of the party headed by special programs secretary Julio Hernandez, who outlined ideological and strategy plans for the PRI. The "critical current" has played a major role in party changes.

Hernandez said few generations in history have a chance to see such deep political and social changes in Mexico, in which what is valid one year becomes obsolete the following year.

Opposition Parties Reestablish Alliance

FL2807011589 Mexico City NOTIMEX in Spanish 2314 GMT 27 Jul 89

[Text] Mexico City, 27 Jul (NOTIMEX)—The opposition Party of the Democratic Revolution [PRD] and Popular Socialist Party [PPS] agreed today to reestablish their alliance for all types of electoral processes or political and legislative decisions. They had broken their alliance at the beginning of the year.

The agreement was reached after a meeting was held between PRD leaders Cuauhtemoc Cardenas, Ignacio Castillo Mena, and Celia Torres with PPS leaders Indalecio Sayago, Francisco Ortiz Mendoza, and Cuauhtemoc Amezcua.

Ortiz, who is coordinator of the PPS, said the Authentic Party of the Mexican Revolution (PARM) will join the work of his party and the PRD in the next few days and, in this way, the National Democratic Front (FDN) will be reestablished.

The FDR, predecessor of the PRD, broke its alliance with the PARM, the PPS, and the Party of the Cardenist Front for National Reconstruction at the beginning of the year.

The alliance these organizations formed before the 1988 presidential elections turned the FDN into the second political force in the country.

The meeting was held at the PPS offices. It was reported that the decisions reached by the two political organizations will be announced in the next few days.

PRD Supporters Occupy City Halls in Guanajuato

FL2807031189 Mexico City NOTIMEX in Spanish 0229 GMT 28 Jul 89

[Text] Guanajuato, Mexico, 27 Jul (NOTIMEX)—Members of the opposition Party of the Democratic Revolution (PRD) occupied today the of Romita and Apaseo el Alto City Halls, in the central state of Guanajuato, proclaiming their triumph in the recently held local elections in the state of Michoacan.

An official at the Romita City Hall said PRD supporters occupied the place and did not allow anyone to enter or leave the building and they distributed flyers denouncing the electoral fraud their party was subjected to.

Likewise, Romulo Vargas, secretary of the Apaseo el Grande City Hall, noted that a group 30 PRD followers took over the municipal government building for half an hour.

No violence or clashes with police took place in either of the two cases.

Panama Sends 14,000 Tons of Refined Sugar

PA2807034089 Mexico City EL DIA in Spanish 20 Jul 89 p 6

[Summary] Isidro Pulido Reyes, secretary general of the Union of Sugar Cane Producers, has reported that the country's sugar production is inadequate despite the government's efforts to boost production. Meanwhile, Aristides Palma of the Tampico Port Captain's office, reported that 14,000 tons of refined sugar had arrived from Panama. The port official added that for the past 6 months, sugar mills throughout the southeastern part of the country have been sending raw sugar to Panama to be processed. Palma said that more sugar is being sent from Panama and this will help solve the shortage problem.

Costa Rica

Arias Discusses Regional Economic Situation

PA2807030289 Mexico City EXCELSIOR in Spanish 21 Jul 89 pp 1-A, 27-A

[Report on "exclusive interview" with President Oscar Arias by reporter Jose Melendez in San Jose on 20 July]

[Text] Warning that Latin America "cannot withstand another decade like that of the 1980's" because of the impoverishment resulting from the foreign debt, President Oscar Arias Sanchez said that fledgling democracies would "face a very disagreeable future" because dictatorships can easily return, and the wealthy nations have not adopted a bold and resolute attitude regarding the crisis.

"I believe that all of the debtor countries would like to see the wealthy nations' governments adopt a much more resolute and bold attitude, because the commercial banks will not negotiate the way we want them to negotiate unless the governments pressure them," Arias said during an exclusive interview with EXCELSIOR.

The president was harshly critical of the highly industrialized nations and the private international banks "because sometimes they do not seem to realize that there is a serious danger in not solving the foreign debt problem immediately; the democracies that have emerged in Latin American will not become consolidated or strengthened without a drastic change in the economic situation.

"This will not be possible as long as our economies have to continue to devote resources to the repayment of the foreign debt to the banks instead of feeding the millions of children with empty stomachs in our countries," he added.

President Arias also mentioned his invitation to the heads of state of Canada, Portugal, Spain, and the OAS member countries to meet in Costa Rica in October. He explained that "the agenda contains six issues, which are very easy to remember because they all begin with the letter 'd': development, democracy, debt, disarmament, drugs, and deforestation."

Arias explained: "Before inviting Mexican President Carlos Salinas de Gortari, I called him on the telephone to ask his opinion on the advisability" of organizing the meeting "within the framework of the celebrations of this country's 100 years of democracy. He responded by giving his full support for this initiative. I am pleased that President Salinas de Gortari will visit Costa Rica in October."

Arias then noted that "Latin America cannot withstand the new decade, which will begin next year, if it is a decade similar to that of the 1980's, when, with very few exceptions, most countries became impoverished. I regard this as the principal threat to the hemisphere's fledgling democracies."

"If democracy is unable to fulfill the people's aspirations, then the people will question democracy, and the democracies that emerged in the 1980's could face a very ominous future—because dictatorships can very easily return if the democratic system does not produce results."

Costa Rica is currently renegotiating its $4.518 billion foreign debt. On several occasions, the president has noted that the foreign debt constitutes the biggest threat to Latin America's political future.

"We are compelled to eliminate the main obstacle to the development of the region's economies. As we all know, that obstacle is the heavy burden of the foreign debt," Arias—who will end his 4-year term in 1990—said.

He pointed out that the foreign debt will be intensely discussed during the October meeting, adding that "it is unlikely that any other country can make a larger contribution to the talks than Mexico, since that is the country that has made the most progress in its negotiations with creditor banks. Therefore, President Salinas de Gortari's visit will be very beneficial."

He also said: "I believe that if the world is changing—and one sees with great interest and joy the changes in Eastern Europe—this opens the way for various countries on the American continent to hold talks among themselves."

He added: "In late October, I plan to offer my country's hospitality as a site for that dialogue; I believe that the issues that we will discuss are crucial for Latin America's future."

EXCELSIOR asked the president for his opinion on the industrialized nations' response to Latin America's foreign debt, which exceeds $420 billion and which is to blame for the violence in Venezuela and Argentina and the great problems affecting Mexico and other countries.

Arias refused to label the response as lukewarm, timid, or even courageous. However, he noted, "all the developing countries would have liked to have seen a more resolute and bold attitude on the part of the wealthy nations' governments."

While the renegotiations of Costa Rica's debt to international banks follow their course, Arias ordered a partial moratorium on the payment of principal and interest payments, setting a monthly limit of $5 million.

The president said that bankers must understand that Costa Rica cannot pay principal and interest payments.

From August 1981 to May 1982, during Rodrigo Carazo Odio's administration, Costa Rica had a moratorium on its foreign debt. Carazo Odio had broken with the IMF and other international financial organizations and rejected those organizations' demands that Costa Rica introduce economic reforms. Foreign credit was made available again in mid-1982.

Costa Rica is trying to set the stage so that the October presidents meeting results in political breakthroughs regarding the foreign debt, the service of which at some point absorbed 50 percent of this country's annual exports.

According to the Foreign Ministry, U.S. President Bush and six other leaders—whose names have not been released—confirmed their attendance at the October meeting.

Oscar Arias has been on the telephone with several heads of state during his fervent diplomatic activities to arrange this meeting.

Arias Reaffirms Vow To Fight Corruption
PA2807020689 San Jose Radio Reloj in Spanish 1200 GMT 27 Jul 89

[Text] President Oscar Arias last night, during a round-table discussion on public and private corruption sponsored by the National Commission for the Rescue of Values, reaffirmed his pledge to fight corruption. My collaborators and I have dedicated an important part of our time to analyzing and ascertaining the destructive effects of corruption within the government; we have adopted preventive and corrective measures that are well known by everyone, the president added. President Arias urged the people to join this national effort and report acts of corruption, because we must all prevent any violation of the moral values of our civilization.

President Oscar Arias announced last night that the executive branch will send to the Legislative Assembly a draft modification of the law against government employees' illegal enrichment, as part of the fight against corruption. The modification is intended to render the state, meaning the people, more capable of fighting corruption in the public sector. Therefore, the Legislative Assembly is asked to call the document the "Law on Ethics and Honesty in Public Office." The new law will include a series of provisions to prevent cases of corruption and misuse of public resources, and it increases the punishment stated in current laws.

Central Bank Reports Trade Deficit Doubles
PA2707130789 San Jose Radio Reloj in Spanish 1200 GMT 26 Jul 89

[Summary] According to data supplied by the Costa Rican Central Bank, the trade balance deficit for the 1st half of 1989 was almost double that reported for the same period in 1988. The deficit as of June 1989 amounted to $156 million and resulted from the difference between imports of $860 million and exports of $704 million.

Assembly Approves Creation of New Ministry
PA2307215789 San Jose Radio Reloj in Spanish 1200 GMT 20 Jul 89

[Text] On 19 July, the Costa Rican Legislative Assembly approved the creation of the Ministry of Natural Resources, Energy, and Mines.

According to the article that approved the creation of the ministry, the new ministry will be in charge of planning and implementing policies related to the use of the government's natural, mine, and energy resources.

Authorities May Request Hull's Extradition
PA2707220789 San Jose Radio Impacto in Spanish 1830 GMT 27 Jul 89

[Text] Costa Rica might request the extradition of John Hull to face criminal charges filed against him, an Attorney General's Office source has reported. The source said that the Costa Rican Government could do this based on the Naturalization and Immigration Law. This law authorizes the government to request the extradition of John Hull, who, according to our laws, is just another Costa Rican citizen, the source revealed.

It has been reported that John Hull fled to Panama, and it has also been said that he is in Florida. Hull was free, but was to appear before an Alajuela court on 24 July. He should obey this order for security reasons, given the nature of the case; however, he left the country instead. The court has issued him an ultimatum, and if he does not obey, there will be grounds for ordering his immediate arrest. One of the charges against Hull is arms trafficking.

El Salvador

D'Aubuisson Berates Duarte, Ungo on Romero Case
PA2707231689 San Salvador Canal Doce Television in Spanish 0300 GMT 27 Jul 89

[Report on news conference with Major Roberto d'Aubuisson, Nationalist Republican Alliance, ARENA, leader on 26 July; place not given—passages within quotation marks recorded]

[Text] Major Roberto d'Aubuisson said today that it is not true that former President Jose Napoleon Duarte has cancer. Describing the former president as corrupt, D'Aubuisson said that Duarte has AIDS, not cancer.

[D'Aubuisson] "D'Aubuisson, the man, showed the arrogant and omnipotent Duarte how to handle politics. This is the open wound that will bring him to his grave. I have already defeated him, and if he is cured of AIDS and runs in another election, I will defeat him again."

D'Aubuisson made these remarks during a news conference at which he emphatically denied Duarte's statements linking him to Msgr Oscar Arnulfo Romero's assassination. D'Aubuisson said that this is part of a campaign to discredit President Alfredo Cristiani's administration.

[D'Aubuisson] "This is another big lie by this Mr Duarte—who, by the way, I no longer believe is suffering from liver cancer and all that. We have never believed the reports on his illness. What he has is AIDS. If it were liver cancer, well, I have known some people who have had this condition, and patients with liver cancer die right away. What this man has is AIDS, and he is withering away very slowly. Have you actually seen a report from people who have examined him explaining what checkups have been made and what has been found? (?Tell me).

"He is corrupt. Even Duarte seems to have been involved in corruption. Our officials have discoverd that there was tremendous corruption and illegal gain during his administration. Duarte himself appears to have been directly involved. However, he is now being used, but I do not know for what purpose. Perhaps it is because of the hatred he has in his soul or the poison he carries around within himself. He thought that he was going to be placed on a pedestal.

"I know he resents ARENA members. Well, if he resents us, he should also resent the Salvadoran people. What hurts him the most is that his little boy [Jose Alejandro Duarte] was not elected mayor and that he [former President Jose Napoleon Duarte] was not awarded the Nobel Peace Prize. He therefore continues to despise El Salvador with the same intensity and with the same venom."

During the news conference, Maj d'Aubuisson also referred to the opposition parties' criticism of the government's recent economic measures.

[D'Aubuisson, in progress] "...such as Convergence [Democratic Convergence, CD] members, for instance, who are now criticizing President Cristiani's economic plan, who now sit and criticize it—particularly Dr Ungo [CD leader Guillermo Ungo]. I ask: Has this poor soul worked a day in his life? How wonderful it must be to engage in politics and not to have to work! See how well he lives! Why not ask Ungo: Why do you live so well and yet you do not hold a job or anything? He travels constantly, has apartments everywhere—and they are high-life [preceding word in English] apartments. All those communists are two-faced. They enjoy living in high style and do not work! They live (?like communists). "So then comes this man Ungo. Ungo had better tell us at what rate he sells the dollars the Communist International sends him—because he is paid in dollars. He is financed by the Communist International. He is the head of the FDR [Revolutionary Democratic Front]. He is the leader of the Farabundo [Farabundo Marti National Liberation Front, FMLN]. He authorizes and writes the lists of people to be killed. Ungo says this one yes, this one no, this one yes, yes, yes. Then he gives his approval, comments on how skillfully the FMLN kills officials, and criticizes the economic measures. He should go out and work some day, man."

Maj d'Aubuisson said that he continues to be the person most interested in a quick resolution of the Msgr Romero case, because he does not want to continue to be mentioned in connection with it.

Navy Accuses Sandinists of Wounding Fisherman

PA2707224789 San Salvador Canal Doce Television in Spanish 0300 GMT 27 Jul 89

[Text] The Navy has accused Nicaragua's Sandinist People's Army [EPS] of attacking a fishing boat in the Gulf of Fonseca and wounding a fisherman.

Captain Mario Argueta, chief of the Navy station in the port of La Union, said that fisherman Luis Alberto Mondragon was seriously wounded yesterday by EPS soldiers, who shot him in the head while he was fishing. Argueta said that the incident took place near Zacatillo Island, located in the area of the Gulf of Fonseca bordering Nicaragua.

In another development, military authorities reported that two guerrillas were killed in fighting during the past few hours in Metapan and San Agustin.

Venceremos Reports Clash With Paratroopers

PA2807012889 (Clandestine) Radio Venceremos in Spanish to El Salvador 0039 GMT 28 Jul 89

[Text] [Words indisti..] We confirm inflicting five casualties during a clash with paratroopers near Perquin Mountain and in Ojushtillo. This is our report to our people. One Hughes 500, [word indistinct], and one helicopter gunship were damaged. Over the past few months, the situation in Morazan Department has proved that the High Command is totally inept. The High Command dares to send paratroopers into the Perquin area. However, after a few unsuccessful hours in Morazan, they leave the area with five casualties, as we just reported.

Guatemala

State of Emergency Ruled Out 'For Now'

PA2607203489 Guatemala City LA HORA in Spanish 25 Jul 89 p 8

[Text] "The possibility of declaring a state of emergency has been ruled out for now, but it might occur in the future if the situation demands it." This was the answer given by government spokesperson Claudia Arenas when asked about the issue.

Rumors circulated in political circles yesterday to the effect that—given the teachers' strike, which extended to other government agencies, and the wave of terrorism and psychological warfare unleashed against the people in general—the government might enforce the Constitution and declare a state of emergency to stop the violence and disorder.

In recent weeks Guatemala has been shaken by public sector strikes and by an increase in terrorist activities, primarily bomb attacks and anonymous threats. The most serious events were the dynamite attack on Television Channel 7's transmission tower and the drastic increase in prices of basic goods.

All this seemed to indicate that the executive branch would declare a state of emergency at any moment, but Presidential Public Relations Secretary Claudia Arenas this morning ruled out this possibility by saying: "The idea has been ruled out for now, but a state of emergency might be declared if the situation worsens."

President Suspends Talks With Striking Teachers

PA2807044389 Guatemala City PRENSA LIBRE in Spanish 27 Jul 89 p 2

[Excerpts] President Vinicio Cerezo decided to suspend the dialogue with the striking teachers' organization, which resumed on 25 July. He also decided not to make the proposal that supposedly would have resolved the labor conflict.

This was reported by Education Minister Ricardo Gomez Galvez, Deputy Education Minister Carlos Escobar Montenegro, Deputy Specific Affairs Minister Carlos Enrique Coto Mehegazzo, and Political Affairs Deputy Secretary Beatriz de Valle.

According to these officials, President Cerezo has suspended the dialogue until teachers take a responsible attitude and demonstrate a genuine willingness to hold a dialogue and to act in the country's best interests.

The president's decision was handed down to the teachers during a short meeting held at the National Palace's banquet hall last night. [passage omitted]

The education minister told the teachers that their efforts to pressure the government have harmed Guatemalans, and that the government calls on them to think and not to allow outside influences to exploit the situation by continuing to sow chaos and anarchy in the country. Minister Gomez told the teachers that bombs and false alarms have very negative effects and seriously hamper the people's daily activities.

The teachers' leaders received President Cerezo's decision calmly, saying that they were happy that at least there was a possibility of resuming the dialogue at a later date. However, they noted that President Cerezo's decision is yet another evasion of the teachers' serious demands and that the strike and demonstrations will continue. [passage omitted]

The teachers' leaders left the National Palace peacefully. To prevent further incidents from occurring, the building was guarded by military troops and antiriot squads stationed both inside and outside the building.

Several thousand teachers, government workers, and Labor and Popular Action Union members waited for them at the main square to learn from the teachers' leaders about the results of the dialogue held at the National Palace.

The leaders reported the president's decision to suspend the dialogue and his withdrawal of the proposal. The teachers, in turn, showed their dissatisfaction and said that they would not give up any of their demands.

President Says DEA Report Unfair to Country

PA2707224489 Guatemala City PRENSA LIBRE in Spanish 27 Jul 89 p 4

[Text] "An international agency's [as published] report on the drug problem in Guatemala shows a lack of respect for Guatemalans and does not reflect our efforts to cooperate with international agencies," President Vinicio Cerezo said, referring to a report issued by the U.S. Drug Enforcement Administration.

He said that the allegation that Guatemala could become a transshipment point for drug trafficking unfairly suggests that Guatemala is similar to those countries that are completely contaminated with drugs.

"It is one thing to say that Guatemala might become a transshipment point for drug trafficking, but to say that it already is such a place is truly unjust," he added.

He said that it is obvious that there is an international campaign intended to link Guatemala to drug trafficking. He added that it is not widely known that Guatemala is struggling against drug trafficking and that its efforts have been quite successful.

"These reports are unfounded, and the work we have done to control drugs proves that," he concluded.

Minister Suggests Right Involved in Terrorism

PA2507160089 Guatemala City PRENSA LIBRE in Spanish 24 Jul 89 p 28

[Text] "The clues we have on the attack on Channel Seven Television lead us to believe that it was carried out by rightist sectors linked to the strike movements of the public sector."

This statement was made last night in Chiquimula by Interior Minister Roberto Valle Valdizan, where he was attending the Miss Chiquimula contest.

Valle Valdizan said: "We have thoroughly established that rightist groups have supported strikes by teachers and other state employees."

The minister noted: We have enough evidence to believe that the acts of terrorism occurring concurrent to the strike have some sort of connection with rightist groups interested in destabilizing the government.

The interior minister also said: We have strong evidence of the participation of many people in acts of violence, but obviously we cannot announce who they are because this would obstruct the investigations.

Honduras

Security Council Approves Contra Demobilization

PA2707175389 San Pedro Sula TIEMPO in Spanish 27 Jul 89 p 3

[Text] Tegucigalpa—The National Security Council (CSN) last night approved the plan for the demobilization of the Nicaraguan contras that President Jose Azcona will take to the Central American presidential summit that will be held from 5-7 August in Tela.

The CSN meeting was attended by all its members: President Azcona; General Humberto Regalado Hernandez, commander of the Honduran Armed Forces; Foreign Minister Carlos Lopez Contreras; Government and Justice Minister Enrique Ortiz Colindres; Colonel Wilfredo Sanchez, defense and public security minister; and the commanders of the Armed Forces branches.

Following the meeting, President Azcona said: "We believe the contras must be demobilized, but we also believe this must be done with respect for their dignity. They must return to Nicaragua and be allowed to enjoy all the civil rights that a citizen of any country has the right to enjoy."

Azcona added: "The returning contras must be helped. Those who lost their land—some of them are peasants—must be given back their property. Only then will the demobilization be advantageous for all of Central America—advantageous not only for the Sandinist government, but for the demobilized contras, for the Honduran Government, for everyone."

Asked whether the conditions in Nicaragua are right for the contras to return, Azcona said: "We must wait and see. I cannot say whether conditions are right or not, because I have not been to Nicaragua. First, the situation in Nicaragua must be studied."

The president said that "when the demobilization takes place, the contras will have to surrender their weapons to an international organization. This organization could be the OAS. We are only studying issues pertaining to the demobilization."

"I believe we are the party most interested in having this demobilization take place," the president stressed, and added that no date has been set for the demobilization. Azcona added that he had not met with the contra leaders, "nor do I plan to meet with them. We, as Hondurans, must first study the situation and decide what is best for our country."

"We want the contras to return to Nicaragua as soon as possible. This is why we are talking about the right conditions, about demobilization, and about voluntary repatriation. Therefore, as far as I am concerned and as far as the Honduran Government is concerned, if the conditions were right and the demobilization could begin tomorrow, we would go ahead with it rather than wait until next year. For this kind of operation to take place, however, the conditions must be right," the president added.

President Azcona was asked about the mechanisms that will be applied if the contras refuse to leave Honduras. Azcona said: "If the right conditions are created in Nicaragua and if there are guarantees and all that, the contras will have to demobilize and will have to surrender their weapons. Commissions will be appointed to see this through."

"The important thing is to have certification. We must have international organizations or commissions made up of several countries accepted by all the presidents monitor the domestic situation in Nicaragua and certify that the conditions are right for those people to return to Nicaragua," Azcona concluded.

Nicaragua

Tirado Discusses Elections, Need To End War

PA2807041389 Managua BARRICADA in Spanish 27 Jul 89 pp 1, 1-B

[Excerpt] Commander Victor Tirado Lopez yesterday warned the right wing: "This is no time for sterile experiments and confrontations" to challenge the workers' power, because you will self-destruct and "end up committing suicide."

Tirado spoke before more than 1,500 workers who gathered yesterday to mark the 10th anniversary of the founding of the Sandinist Central Organization of Workers (CST), when the genuine power quota of the laborers and peasants, who have continued toward defending the Sandinist revolution, was reaffirmed.

The leader urged the right wing to choose the path of dialogue and avoid exacerbating internal conflicts. He said that the United States and certain political parties want to turn the elections into "some kind of war" to create confusion.

"We will hold elections here with or without them," Commander Tirado said. However, he added, "they will not be able to block the elections no matter how many lies they tell or how many people they slander by taking advantage of the freedom of speech and information that exists here."

He urged workers to counter such campaigns with greater work discipline and organization, by conveying the FSLN's [Sandinist National Liberation Front] message to each neighborhood home, and by "convincing ourselves that the right wing is made up of foreign agents at the service of a foreign power."

Commander Victor Tirado publicly praised BARRICADA's reporters and workers on the occasion of the 10th anniversary of its founding. He pointed out that our newspaper has played an essential role in the ideological struggle, because it is an important revolutionary force.

The leader said that laborers are a social force for transformation and added that "we have the political and ideological strength that is essential for the country's great economic measures, "which have always sought the workers' well-being." [quotation marks as published]

To End the War

Commander Tirado Lopez emphasized the urgent need to "end the war for good" to dedicate our time to training professionals to meet future needs, however we need peace to achieve that, "and that is why were are holding elections."

He pointed out that the country's workers have a duty to keep hyperinflation at bay to ensure stability, profits, and production.

Tirado said that the workers cannot allow the right wing to promote economic chaos by taking advantage of freedom of speech and information. He added that if it continues to challenge the workers's power, "it would force us to reply" with legal measures. [passage omitted]

Contras Reject Proposed Demobilization Plan

PA2807022789 Panama City ACAN in Spanish 0115 GMT 28 Jul 89

[Text] Guatemala City, 27 Jul (ACAN-EFE)—The Nicaraguan contras today rejected any future agreement that may be reached by the Central American presidents on the contras' demobilization and relocation in Nicaragua, and they voiced their determination to continue the guerrilla war against the Sandinist government if no democratic changes are made in their country.

Nicaraguan Resistance (RN) political and military leaders made these statements in Guatemala following a meeting held today with President Vinicio Cerezo, to whom they explained their decision "to return to the mountains" if their repatriation is approved at the next Central American summit.

The Honduran Government approved on 25 July a plan for the demobilization and relocation of more than 10,000 contras, who are currently based in Honduras, in compliance with the Central American presidents agreements approved in El Salvador last February.

The demobilization plan, which was drafted by the Central American deputy foreign ministers last May, will be presented at the next presidents summit, which will be held in Tela, Honduras, from 5-7 August.

Commander Blas, Atlantic region contra military chief, said that their decision not to lay down their weapons if the presidents approve their demobilization is shared by all of the contra commanders, "because no one will force us to lay down our weapons if a change does not take place in Nicaragua. We have fought for many years to change the situation, and it will be very difficult for us to stop if changes are not made in Nicaragua and if steps toward democracy are not taken," he warned.

RN Commander Franklin said that the demobilization plan will not solve the problems in Nicaragua, and it will not solve the problem of the existence of the many men who are fighting with weapons in hand or are in exile. Franklin warned that "if the Central American presidents decide to approve the demobilization plan without taking into consideration the contras' position, "all combatants now outside of Nicaragua will go to the Nicaraguan mountains and fight."

Aristides Sanchez—one of the seven members of the RN leadership—said that the anti-Sandinist leaders are very concerned with the Bush administration's decision to disregard the RN's role in finding a solution to Nicaragua's political problems. He added: "The true causes that led to the beginning of this struggle still exist in Nicaragua and are not being taken into consideration."

Sanchez noted that any agreement resulting from the presidents summit will not lead to a lasting peace in the country. He pointed out that the February elections "will truly demonstrate if there is a chance for peace and democracy or if, on the contrary, the totalitarian regime will remain in power."

Asked about President Jose Azcona's decision not to see them and his demand for their prompt demobilization, Sanchez replied that he respected the Honduran president's decision. He explained: "We respect the Honduran head of state's decision. We are very grateful to him, and if he does not want to meet with our delegation, we understand, because Honduras is entitled to its rights as a sovereign nation."

Violeta Chamorro Willing To Run for President

PA2707161289 Managua LA PRENSA in Spanish 25 Jul 89 pp 1, 12

[Interview with Violeta Barrios de Chamorro, chairman of LA PRENSA's Board of Directors, by unidentified reporter—date and place not given]

[Text] [Reporter] What do you think of the forthcoming elections?
[Chamorro] All Nicaraguans should make important decisions over the next few months. The dreams we all had of freedom, democracy, and progress when we ousted the Somozist dictatorship in 1979 have not come true. The Sandinists chose the path followed by Castro in Cuba, and today, 10 years later, Nicaragua is immersed in poverty, there is no peace or democracy, and there is freedom only for the nine Sandinist commanders. Only our firm determination can change the country's course.

All Nicaraguans must decide if we are going to participate in the electoral process that begins in 30 days. We must decide if we will demand that our dreams come true or if others will continue to decide everything. We must decide if we will vote on 25 February or if we will leave Sandinism in power for 6 more years. We must also decide if we will vote for Ortega, in which case everything will stay the same, or if we will vote for the opposition candidate so that Nicaragua will change and make some progress.

I believe that to win we must all participate and be united, as Cardinal Obando y Bravo has said.

[Reporter] What do you think of the Electoral Law, the Media Law, and the Supreme Electoral Council?
[Chamorro] I think the Supreme Electoral Council is somewhat unbalanced. It does not really comply with what President Ortega promised the Venezuelan delegation that had been giving advice on this issue. Without a doubt, changes will have to be made so that the council will earn the trust that the situation requires.

Concerning the Media Law, this is nothing but a reprint of the Black Code, which all honest journalists rejected. Not only must the law be reformed, but the issue of an independent television station must be seriously considered. If not, only the Sandinists will be able to use television during the election campaign, and this is completely unacceptable.

[Reporter] Do you feel discouraged by the lack of conditions for the elections?
[Chamorro] No. The whole world will be looking at us. Everyone—Latin Americans as well as the Americans, the Soviets, and the Europeans—wants a solution to the Central American crisis, and everyone has said these forthcoming elections must be clean, free, and honest. This provides us with a tremendous opportunity in our history to decide what we want to be, and we cannot waste it.

[Reporter] Many say you would be the best candidate to defeat Daniel Ortega in 1990. We know many political leaders have talked to you about this. Polls place you above all other candidates. If UNO [National Opposition Union] were to offer you the nomination, would you accept it?
[Chamorro] If UNO decides I am the best candidate to win this battle for democracy, I could not refuse. Every Nicaraguan must assume his or her responsibility at this critical time. If that is my responsibility, I will know how to assume it.

[Reporter] Will you set conditions?
[Chamorro] Yes, of course, and the first is unity. I do not want personal confrontations within the opposition. I want to unite in one single effort all the hopes for liberation of all dignified and honest Nicaraguans. Therefore, there must be a consensus among the opposition parties about my role in this struggle for democracy.

I do not accept the intervention of foreign powers in our affairs. No one cares for the future of this land as much as we, the Nicaraguans. Therefore, we welcome advice and assistance, but never imposition.

Likewise, it should be clearly established that there will not be any setback. The 1990 elections will never be the 1984 elections. Abstention and withdrawal should be considered equivalent to cowardice and treason. That is why we will rest only when we have won. The people want to win. We must achieve that, because only through winning can we save the fatherland.

In concluding, I want to clearly establish that if I become president in 1990, I will be the president of all Nicaraguans. The amnesty granted by the Esquipulas agreements and the pardon advocated by Cardinal Obando y Bravo should apply to all. The democracy that we must start in 1990 should start with a clean slate: Jails should be empty, and all Nicaraguans should be united in an embrace of pardon.

[Reporter] Are you afraid of the fact that Ortega has a Sandinist military and a Sandinist police behind him?
[Chamorro] Frankly, no. The military and police officers and soldiers are all Nicaraguans, too. They have children or are planning to have them, and they want a better future. Daniel Ortega cannot give them this. I think that when they vote, they will vote for a change.

Commentator Says Sandinists Pursuing Stalinism

PA2807021789 Managua Radio Catolica in Spanish 1130 GMT 27 Jul 89

[Commentary by Luis Sanchez Sancho]

[Text] Daniel Ortega, the ruling party leader, has said that if the opposition wins the elections he will surrender to them only a share of power. Evidently, the ruling party understands power to be exercised in a feudal manner and believes that political power won is a conqueror's patrimony.

This is a reactionary concept. Until recently the Latin American military rightist regimes used to turn the state into a patrimony of the party's leadership clique. Those who seize power by force think themselves absolute and permanent owners of the state. At most, they are willing to share some power, either through privilege or political concessions, as they see fit. Ortega's remark that he would give away only a share of power to the opposition if it wins, is also an attempt to make a Stalinist doctrinal interpretation of the nature of political power. According to Stalinism, political power is an expression of the resolve of the ruling class, not the entire population. It is presumed that the working class holds power and exerts it through the illumined party of the guard. Stalinism does not make provisions for the distribution, independence, and democratic balance of state powers. Stalinists think power is indivisible and must be controlled by the vanguard of the ruling class. According to Stalinism, state power does not exist, only state organs that act according to the instructions of the ruling class vanguard.

According to this anachronistic Sandinist and Stalinist scheme, the opposition could rule the executive and legislative branches, but would never achieve power, even if the majority of the people vote for the opposition. Even the Soviets have abandoned this gross misconception of political power, which only led to the establishment of brutal totalitarian dictatorships. Yet the Sandinists are trying to impose totalitarianism on us, presenting it as a revolutionary novelty. What Nicaragua requires to get away from confrontation and insecurity and to resolve the crisis is democracy. It is necessary for the people to not only vote but to elect their authorities freely. It is necessary for these authorities to exert power, not to subjugate those governed—to manage and direct the state for the benefit of all Nicaraguans. Without this, the result of the coming elections and all the efforts and hope will be desperately useless.

Panama

Ritter on Resumption of National Dialogue

PA2707231789 Panama City Telemetro Television in Spanish 2309 GMT 27 Jul 89

[Interview with Foreign Minister Jorge Ritter by unidentified reporter in Panama City on 27 July—recorded]

[Text] [Ritter] We agreed to have the OAS delegation return to Panama on the evening of 30 July. Talks will resume in Panama on 31 July or 1 August, based on a decision made by the OAS consultative meeting's chairman.

[Reporter] Has the opposition decided to return to the dialogue?

[Ritter] I am unaware of the opposition's final decision, but we certainly cannot condition the OAS delegation's arrival on the opposition's agreement or refusal to hold a dialogue. This morning I said that I thought the opposition's refusal to participate in the talks had been the result of a rash, emotional decision and was not carefully thought out. The OAS delegation will return out of its sense of responsibility to that organization. They have come to assist all groups involved in the conflict. I repeat, if certain groups do not want its assistance, the OAS will have to be informed. However, Dr Romulo Escobar Bethancourt, who represents the government and the Panama Defense Forces, said yesterday that the presence of the foreign ministers commission and the OAS secretary general is advisable. They will be here on Sunday [30 July] night.

[Reporter] How long will they be here?

[Ritter] No definite agenda has yet been drafted. However, there are certain limitations. There will be a Central American presidents summit next week, which could prevent the Guatemalan foreign minister from staying very long. I am not saying that he will be unable to participate, but I know that the foreign ministers have prior commitments. There will also be a SELA [Latin American Economic System] meeting in Cartagena, Colombia, next week. Therefore, there are several commitments that must be met, and we are trying to adjust all of our schedules and agendas to comply with the OAS delegation's objectives.

Government Urges Dialogue, Unity Government

PA2707141989 Panama City CRITICA in Spanish 27 Jul 89 pp 1, 16

[Text] Dr Romulo Escobar Bethancourt, representative of the executive branch at the tripartite dialogue, will ask for the continuation of the national dialogue so that he can present specific proposals for a national unity government.

Dr Escobar Bethancourt reiterated to the press that he has received instructions from the president to request the continuation of the dialogue as soon as possible.

Dr Escobar Bethancourt said the continuation of the national dialogue will permit him to submit, on behalf of the executive branch, specific proposals dealing with a national unity government.

The national dialogue was begun following efforts by an OAS commission to find formulas of agreement among Panamanians.

In line with the instructions issued to the representative of the executive branch, Dr Romulo Escobar Bethancourt said it would be very positive if the OAS commission were to return, but he added that he is acting on the basis of the view that the issues must be solved by Panamanians.

The OAS commission received a clear mandate from the OAS consultative meeting to continue helping the participants in the dialogue and "to assist during the negotiation process."

Duque Encourages ADOC Dialogue Participation

PA2807004689 Panama City Circuito RPC Television in Spanish 2345 GMT 27 Jul 89

[Report on statements by Carlos Duque, president of the Democratic Revolutionary Party, PRD, and former presidential candidate of the National Liberation Coalition, COLINA,—date and place not given]

[Text] [Begin Duque recording] We hope to resume the dialogue. We believe that the homeland's interests should be placed above political or personal interests. I believe that it would be a grave and serious error for the ADOC [Civic Democratic Opposition Alliance] not to participate in this dialogue.

There is no room for intransigence and arrogance at this time. National interests should preclude any interest in political or personal gain. Above all, we must form a great national consensus and attempt to unify the Panamanian people. This is what I have in mind—a great national consensus. The country needs a government of national reconciliation.

We are willing to continue the dialogue, because the OAS resolution objectively ratified the Electoral Tribunal's decision and confirmed the Supreme Court of Justice's ruling. The OAS foreign ministers delegation handled the Panamanian conflict very objectively. However, they cannot act as an Electoral Tribunal or the Supreme Court of Justice. They have to support any decision made by our government. [end recording]

Duque also discussed the meaning of the term transfer of power:

[Begin Duque recording] According to Articles 172 and 176 of the Constitution, the new presidential term begins on 1 September. The Electoral Tribunal's annulment of the 7 May elections prevents a presidential succession or a transfer of power from taking place. This transfer should take place according to Article 172. The annulment of these elections was confirmed by the Supreme Court of Justice and implicitly acknowledged by the OAS in a statement approved at the 20 July consultative session. This is why I again stress that the ADOC would be making a serious mistake if it does not participate in this dialogue, which could lead us to a great national consensus for the benefit of the country. [end recording]

Endara Reads Communique on Resuming Talks

PA2807002689 Panama City Circuito RPC Television in Spanish 2315 GMT 27 Jul 89

[Communique issued by the Civic Democratic Opposition Alliance, ADOC, National Directorate, read by former ADOC presidential candidate Guillermo Endara and followed by answers to questions by unidentified reporter; in Panama City on 27 July—recorded]

[Text] [Endara] 1. Before the talks resume, we will ask the OAS foreign ministers for their interpretation of the report submitted at the OAS meeting on 19 July concerning the statement by the chairman of that meeting and the OAS resolution issued on 17 May.

2. We will also tell them we deem it necessary to learn if they feel the aforementioned 17 July resolution is still in force as the frame of reference for the dialogue, the resumption of which is being sought.

3. We will also ask the foreign ministers to flatly state that the 20 July declaration in no way eliminates the discussion during the talks of any issues submitted by Civic Democratic Opposition Alliance [ADOC].

4. In addition, we will inform the foreign ministers about the repeated violations of human rights, which in some cases—as in the cases involving political opposition figures, illegal raids, closing of political offices, and closing and restricting the news media—has worsened since the start of the OAS mission's work in Panama.

At any rate, ADOC wants to reiterate to the people of Panama its unswerving loyalty to the trust they granted us in the 7 May elections whereby Guillermo Endara, Ricardo Arias Calderon, and Guilermo Ford were elected the legitimate representatives of the people of Panama. Therefore, ADOC will continue to press for recognition of the victory it won by a clear and overwhelming majority on 7 May and for the prompt departure of General Manuel Antonio Noriega, whose presence as commander in chief of the Defense Forces constitutes the chief cause of the total chaos the Republic is experiencing, as stated in the OAS resolution of 17 May and the 19 July report submitted by the OAS mission.

ADOC reiterates before the people of Panama its decision to continue to seek in a patriotic manner a solution to the crisis through all peaceful means available to it and in all forums where it is possible to struggle for peace, justice, and the true democratization of the country.

This is signed by all three of us, Guillermo Endara, Ricardo Arias Calderon, and Guillermo Ford.

[Reporter] Are these prerequisite conditions?

[Endara] No, these are not conditions. We want the OAS to clarify what it wants. If the OAS wants us to propose all the points we want to bring up, that is, all the points the Panamanian people want to bring up, then we will continue to participate in the dialogue. However, if the OAS has objections to our bringing up the problems, then we will not resume the dialogue.

[Reporter] What would you do then, Mr Endara?

[Endara] We will continue to struggle alongside the Panamanian people. We are the spokesmen, the legitimate representatives of the Panamanian people, and we must be loyal to the people, above anything else.

Arellano Says OAS Should Clarify 'Transfer'
PA2807043489 Panama City Circuito RPC Television in Spanish 2300 GMT 27 Jul 89

[Text] Legislator Carlos Arellano Lennox has agreed that the ADOC [Civic Democratic Opposition Alliance] should continue to participate in the tripartite dialogue, provided the OAS foreign ministers explain the meaning of their statement.

[Begin recording] [Arellano] The OAS statement does not clearly specify what it means by transfer of power. The statement seems to be a little contradictory, at least in two parts. To transfer power means to hand it over to someone who now rightfully holds it. Later, the statement mentions holding elections. If power is to be transferred to the winners of the 7 May elections, it would be unnecessary to hold elections. The meaning of the OAS statement is not clear. I think a dialogue is necessary. If no agreement is reached, the dialogue should be broken at the negotiations table. It is necessary, however, to clarify meanings. For instance, we should make it clear if by transfer of power we mean that those who hold it at present will no longer hold it. We will be able to talk when this is clarified. As long as this is not clarified, however, we will not be sure what topics we will talk about and negotiate later.

[Reporter] Do you think the tripartite dialogue should be resumed?

[Arellano] Every political party, whether of the opposition or the government, has an objective of its own, achieving power to help in the country's development. Talking is typical of civilized people. However it is necessary to know what is going to be discussed. This is why, I repeat, we have to clarify meanings before resuming the dialogue. The OAS, through Cordovez, should tell us exactly what the latest OAS statement means. [end recording]

Editorial Views OAS Mission, 'Crisis'
PA2807042789 Quito EL COMERCIO in Spanish 20 Jul 89 p A-4

[Editorial: "The OAS and Panama"]

[Text] The Panama crisis continues to gravely concern all of Latin America. There are no indications that it will be solved any time soon, despite the special OAS mission that seeks to find a political solution to the problem and the growing internal opposition to the de facto dictator, Manuel Antonio Noriega.

In Washington yesterday, the 31 member countries of the OAS reached a consensus to support the actions of the special mission and extended the mission's mandate. In this manner, the criteria of a group prevailed over the wishes of another group of countries—including the United States—that advocated putting an end to the efforts and approving a more severe resolution to oust Noriega from power. He controls the country, ruling behind a puppet president.

The OAS should have received yesterday a second report from the members of the mission—the foreign ministers of Ecuador, Guatemala, and Trinidad and Tobago—that early this week managed to initiate a tripartite dialogue in Panama between the military, the government, and the opposition to find an urgent solution to the crisis. Actually, time is running short, because according to the Panamanian Constitution, the transfer of power must take place on 1 September and the problems continue unsolved. Dialogue among all the Panamanian political forces seems to be the most viable negotiation path, but nothing will be obtained if there is still the obstacle of the presence of Gen Noriega as Defense Forces chief. Even the negotiator appointed by the dictator has refused to discuss anything other than the U.S. intervention in the domestic affairs of Panama, or to admit the topic of transfer of power.

The situation is very difficult for the OAS, because its efforts might be mocked. Evidently, there has not been any substantial progress in the conversations, and there is the impression that the general wants to gain time to decide on the fate of the country when he sees fit, after the date specified by the constitution for the transfer of power. What will be done in the event the efforts of the mission fail, especially since during a Council of State meeting Noriega told business and civic leaders that he plans to stay in power indefinitely, regardless of what the OAS does? The organization does not have any power at all to force any of its members to abide by its mandates. Therefore, pressures have been suggested, ranging from collective economic sanctions to the withdrawal of ambassadors accredited in Panama or the expulsion of Panamanian military attaches in other countries, something that would undboutedly be harshly criticized within the OAS.

The crisis is now affected by another factor derived from the activities of narcotics trafficking in Cuba, due to the Noreiga's relations with Castro. It has been said that if Castro breaks his association with the Panamanian dictator, Noriega might find himself alone and resign. However, this is only food for thought. The truth of the matter is that time goes on, and the crisis worsens.

Ritter Protests Alleged Misuse of Funds

PA2707212389 Panama City Domestic Service in Spanish 1645 GMT 27 Jul 89

[Statement by Foreign Minister Jorge Ritter; date and place not given—recorded]

[Text] From the very beginning we said the United States was illegally withholding Panama's funds in open violation of the Panama Canal treaties. Making this situation—the violation of the treaties and the aggression—even worse is the charge now being made in the United States; a charge we have been making for a long time. It has now been said that the funds were released to [former Panamanian President Eric Arturo] Delvalle and that U.S. federal authorities are now investigating what happened to that money and are determining who was responsible for the disbursement.

According to the information we have received here in Panama, this money was given to Delvalle with certain restrictions. This money was to be used for the Panamanian Embassy and consulates in the United States. Delvalle was given $8 million—much more than the Foreign Ministry allocates for the entire Foreign Service—to cover the expenses of five consulates and one embassy. He was given $8 million, and U.S. federal authorities now know that $1 million disappeared and was not used for its intended purpose. The United States is now investigating who was responsible for the misuse of funds.

I repeat, it is really frightening and horrifying to think that money that was used to attack the Panamanian people, to impoverish the Panamanian people, and to prevent private and government investments was embezzled from the people and criminally misused. This only adds another black page to the history of relations between Panama and the United States.

We are going to use this information to alert governments around the world to what is going on. We want them to see how this money has been misused and how far U.S. disregard for the Panamanian people's money has gone.

Government Boycotts Canal Board Meeting

PA2707192589 Panama City LA ESTRELLA DE PANAMA in Spanish 27 Jul 89 p 1

[Text] The Panamanian Government has decided that the Panamanian members of the Panama Canal Commission [PCC] Board of Directors will not attend the board meeting scheduled for 26 and 27 July "in light of the U.S. Government's determination to expand the political conflicts between the two countries to matters pertaining to the implementation of the treaties and the efficient and uninterrupted operation of the Panama Canal."

The decision was announced yesterday in a communique issued by the Foreign Ministry. The communique also mentions U.S. meddling in Panama's political affairs, which, in the opinion of the Panamanian board members, represents "a danger to the normal operations of the Panama Canal."

The communique also mentions the methods used by the U.S. Government to prevent the Panamanian members from attending board meetings. The United States denied visas to several board members. Among those denied a visa is Tomas Gabriel Altamirano Duque, whom Panama has nominated as PCC administrator as of 1 January 1990.

Antiriot Squads Disperse Student Demonstration

PA2707211889 Panama City ACAN in Spanish 2030 GMT 27 Jul 89

[Text] Panama City, 27 Jul (ACAN-EFE)—Approximately 100 Panamanian high school students were dispersed with tear gas in downtown Panama City today by "antiriot" military units. No one was arrested or injured.

The students were showing their solidarity with several university students, who were arrested yesterday during an antigovernment rally calling for the departure of General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces [FDP]. The student demonstration was dispersed without any arrests, high school officials reported.

During rallies over the past 2 days, several hundred university and high school students have held demonstrations in the streets of the capital and have criticized the OAS for advocating new elections in Panama.

A poster placed at the entrance gate of the University of Panama demands "Respect for 7 May [date of annulled elections]," and that Guillermo Endara, opposition candidate at the annulled elections, be declared president.

The OAS recommended that the Panamanian Government and political forces hold new elections according to a resolution approved on 20 July in Washington, which has provoked unrest within the Panamanian opposition.

The university and high school student demonstrations yesterday and today are the first ones held by opposition groups since 10 May, when a demonstration headed by Endara and other well-known opposition leaders was harshly repressed.

Columnist Wants 'Traitors' Sent Into Exile

PA2807014789 Panama City CRITICA in Spanish 27 Jul 89 p 4

["Political Arena" column by Baltazar Renan Aizpurua: "Up Cisneros' A.." (A Cisneros por el C...)]

[Text] Since the opposition, which favors surrender, maintains its intransigent position at the negotiating table, I will permit myself—despite the fact that according to the OAS, negotiations would lead to an agreement among Panamanians for the transfer of power on 1 September—to publicly propose to those who have decision-making power, not to let the presidential candidates in the past elections leave the country.

When I say that the position of the representatives of the opposition at the negotiating table will be intransigent, I am saying that they will no longer demand that power be given to Endara, since they have never been interested in the fate or political future of the man they once described for opportunistic reasons as the political heir of Dr Arnulfo Arias. Those representatives, as I said 2 weeks ago, will demand a majority of the positions in a new administration, authority over two-thirds of the revenue-producing entities, some Supreme Court of Justice posts—in other words, full power for the oligarchy.

The traitors have placed all their hopes on seizing power with the backing offered to them by the Yankee troops and the plans for intervention of general-of-defeats Marcos Cisneros. The traitors believe that if their demands are not met, they will have a good excuse for abandoning the dialogue and sounding the alarm for the long-awaited invasion.

In June 1987, when the openly seditious activities began, our people used to shout: "Plane tickets for the sedition." This was the people's way of saying that those who made evident their collaboration with the Yankee project to destroy Torrijism and the Torrijist national liberation project should be sent into exile. That watchword made evident how noble the people are—they did not want the execution of any Panamanian.

It has been 2 years, and those who deserved to be sent into exile (I am not talking about those who exiled themselves to traitorously lobby in Washington and other capitals), in their search for power, have carried out here every activity ordered by their Yankee masters, who have given them all manner of support to deepen the miserable state of the poor. I am asking now that those people not be allowed to escape so that they may instead be taken before the people who must summarily apply justice in case of Yankee aggression against our country.

In this regard and so that the traitors may have a chance, we dare the big mouth "operetta general," Marc Cisneros, to enter the Paitilla, Obarrio, and El Cangrejo residential areas, to evacuate the traitors, and to save them from the anger of the people. Then this illegitimate half-breed who has to Anglicize his first name and who dishonors the Latin race will learn that it is no easy matter to evacuate traitors, a claim he has been making on Panamanian beaches still under U.S. control. He will be facing thousands of Panamanians who, like "Tony" Noriega, have iron-plated balls.

Marcos Cisneros will know, once and for all, that one of our soldiers is worth 10 of his drug-addicted and demoralized half-grown soldiers. He will learn that the Dignity Battalions have not been waving their banners in peaceful demonstrations in vain and that thousands of other men women, and even children will wield weapons to defend national dignity. We want to conclude by telling Cisneros and everyone like him that the courage of General Manuel Antonio Noriega and his heroic example will live throughout Latin America.

Let Cisneros either come forward or put an end to his bullying. He is scaring no one.

New Deputy Finance Minister Appointed

PA2707131489 Panama City Televisora Nacional in Spanish 2300 GMT 26 Jul 89

[Summary] Otilia Galvez was appointed new deputy finance and treasury minister today. She replaces Julio Harris, who was appointed general manager of the national casinos.

Argentina

Government Sources on Resumption of UK Ties

PY2707190489 Buenos Aires Domestic Service in Spanish 1600 GMT 27 Jul 89

[Text] The resumption of diplomatic ties with the United Kingdom, which does not mean exclusively talking about the Malvinas issue, is Argentine diplomacy's top priority concerning the dispute aroused by the South Atlantic conflict in 1982.

This remark was made by a Foreign Ministry source, who stressed that there is a clear distinction between the issue of diplomatic ties and the issue of sovereignty. Although Argentina and the United Kingdom cannot ignore the problem of the southern archipelago, the possibility of discussing with London issues of common interest concerning trade and finances is what really matters at this stage, the source concluded.

Concerning this issue, Mendoza Governor Jose Octavio Bordon has said that Foreign Minister Domingo Cavallo personally denied that any memorandum or proposal on the Malvinas issue had been sent to London through the new British ambassador accredited to Uruguay.

Upon returning from Buenos Aires, Governor Bordon reaffirmed that neither negotiations nor official or semi-official statements will ever involve leaving aside the sovereignty issue, which is the main issue in the negotiations. The international community recognizes our rights, Bordon recalled.

During his Buenos Aires visit, Bordon met with Foreign Minister Cavallo. In this meeting, Cavallo reaffirmed the traditional Argentine line of seeking peaceful solutions in the diplomatic field, Bordon said.

Cavallo Denies New UK Instructions

PY2807014789 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2325 GMT 27 Jul 89

[Text] Buenos Aires, 27 Jul (NA)—Foreign Minister Domingo Cavallo this afternoon flatly denied having received instructions from President Carlos Menem to seek "formal, direct" contacts with the United Kingdom on the Malvinas issue.

Cavallo did not rule out, however, "any formal or informal, direct or indirect contact" to make progress toward achieving the president's objective of reestablishing diplomatic and commercial relations with the United Kingdom.

Upon reiterating that Argentina's sovereign rights to the Malvinas Islands should be safeguarded in making these moves, Cavallo made it clear that he has not received "new instructions from the president other than those I had received prior to my installment."

Cavallo made extensive remarks to the press after briefing President Menem on a report released today by the British official news agency that cited "instructions" from Menem to initiate "direct contacts: between the two countries.

After flatly denying this report, Cavallo also said that the Argentine Foreign Ministry has no information about an alleged memorandum sent by Argentine officials to the new British ambassador in Montevideo.

After giving a detailed report on Argentina's position since President Menem's inaugural address on 8 July, Cavallo said that the Foreign Ministry "has not received new instructions other than those received a week before" his installation.

Asked if in his first instructions Menem had authorized him to move toward promoting direct contacts between the two governments, Cavallo said that "no method that could be instrumental in making progress has been ruled out."

Cavallo added: "We have not ruled out either direct or indirect contacts or the good offices of friendly countries that are seeking to bring the two parties closer together; that is, no diplomatic method available to address this type of problem has been ruled out."

Luder on 'Amnesty' for Rebellion Leaders

PY2707222689 Buenos Aires BUENOS AIRES HERALD in English 27 Jul 89 p 1, 11

[Text] (NA-DYN)—Defence Minister Italo Luder yesterday said that "the government is seeking legal solutions to acquit the higher ranking Army officers who participated in the military uprisings of 1987 and 1988 of responsibility."

He disclosed that "all lower-ranking officers were given minor administrative punishments and sent back to their original units to continue with their careers" and anticipated that "the situation of unit chiefs with decision-making power in the rebellions will be analyzed later."

Luder explained that "the objectives of those acts of insubordination were shared by all members of the Armed Forces" and that "although the methodology used by them was questionable, we have to consider that position."

Answering a question on whether the government was carrying out an "international amnesty" on the Holy Week, Monte Caseros and Villa Martelli uprisings, Luder pointed out that "I wouldn't call it an amnesty. What we are trying to do is to find a solution to the problems of indiscipline we have had for several years, for which something has already been done: the lower-ranking officers and non-commissioned officers were sent back to their regiments with minor disciplinary

sanctions, and we are seeking ways of rescuing the rest of the officers and looking for some other type of solution to the ones currently under trial in military courts."

The minister issued statements to the press on military items before taking part in a luncheon with Latin American ambassadors at the Honduras Ambassador's house. There he insisted that the officers under trial for human rights violations "should stay under civilian justice."

Luder considered that "it is probable that some officers will demand their retirement to ease Army integration, which is our objective," but underlined that up to the moment nobody had made such a move. As for the special situation of Colonel Mohamed Ali Seineldin and Lieutenant-Colonel Aldo Rico, who led the rebellions, Luder said "I cannot give a date for their retirement because there is a trial going on."

Bolivia

Presidential Candidates Sign Joint Declaration

PY2707155889 La Paz La Red Panamericana in Spanish 1130 GMT 27 Jul 89

[Text] In a joint declaration, the Bolivian presidential candidates for the Nationalist Revolutionary Movement [MNR, Gonzalo Sanchez de Lozada]; the Nationalist Democratic Action [ADN, Hugo Banzer Suarez]; and the Movement of the Revolutionary Left [MIR, Jaime Paz Zamora] promised the nation that they would choose a president before 6 August 1989 to guarantee the nation's tranquillity.

Gonzalez Sanchez de Lozada, Hugo Banzer Suarez, and Jaime Paz Zamora have concluded their joint meetings under the auspices of the Catholic Church. The meetings were chaired by Msgr Santos Abril Castellano, the apostolic nuncio of his holiness, and by Msgr Julio Terrazas, president of the Bolivian Episcopal Conference.

At the end of the 2-day meeting, the presidential hopefuls signed a joint declaration, establishing the basis for reaching an agreement in order to prevent political problems to the country.

The joint declaration states: bearing in mind the complex circumstances under which the current presidential election process is developing, the signatories of this joint declaration commit themselves to seeking appropriate conditions so that the country can have a president of the Republic on 6 August 1989, without fail.

In order to ensure the general well-being of the Bolivian people within a participative, solid, and lasting democratic system, the signatories of this joint declaration commit themselves to seeking the formation of a coherent administration or to exercising a new and constructive opposition.

Moving on, the joint declaration establishes a commitment to promote an economic policy that will strengthen stability and guarantee investments as a basis for a growing process of socioeconomic development.

In their joint declaration, the signatories agreed to give priority to investments in the social sector, placing emphasis on the most depressed sectors such as the peasants, the mineworkers, and the low-income urban groups. The signatories also agreed to seek a balance in the relationship between workers and employers, within the framework of justice.

In addition, the signatories reaffirmed their intention to implement the reforms necessary to modernize the state and fight corruption so that the state will efficiently comply with its duty to serve the Bolivian people.

The signatories also reasserted their decision to implement a serious and consistent national strategy to deal with the complex problem of drug trafficking.

In their joint declaration, the signatories especially agreed to give the foreign debt issue a treatment that will reconcile the solvency and credibility of the Bolivian state on the international scene with the obligations of the state toward the Bolivian people, especially toward the most depressed sectors.

Upon leaving the nunciature, where the meetings took place, the three candidates expressed their satisfaction over the results achieved and committed themselves to seeking the most appropriate ways to gain more credibility among the community and to prevent any negative situation.

MNR, MIR Faction Propose Coalition

PY2707181489 La Paz La Red Panamericana in Spanish 1130 GMT 27 Jul 89

[Text] The Nationalist Revolutionary Movement [MNR] has proposed to the MIR-New Majority Faction [Movement of the Revolutionary Left-New Majority faction] that the two groups form a coalition government.

The full document, entitled "Basis for a Democratic Coalition To Form a Center-Left Government," contains the MNR's institutional proposal to the MIR. The proposal can be summarized in the following points:

—The creation of a bipartisan political council, chaired by Jaime Paz Zamora, MIR national leader, and made up of three MNR members and three MIR members.

—The congressional leadership would be established as follows: the Senate presidency for the MIR-New Majority and the Chamber of Deputies presidency for the MNR, annually alterating these posts between both political forces. The other congressional leadership posts would be equally distributed between the MRN and the

MIR. The legislative commissions would be formed in a pluralistic way, with the participation of the various political parties represented in Congress.

—Concerning the formation of the cabinet, the MNR proposes the following: The MIR would head the Planning and Coordination Ministry, the Transport and Communications Ministry, the Mining and Metallurgy Ministry, the Industry and Commerce Ministry, the Education and Culture Ministry, the Housing and Urban Affairs Ministry, the Aeronautics Ministry, and the Information Ministry. The MNR would head the Finance Ministry; the Foreign Affairs Ministry; the Interior, Migration, and Justice Ministry; the National Defense Ministry; the Energy and Hydrocarbons Ministry; the Campesino Affairs Ministry; the Labor and Labor Development Ministry; the Public Health Ministry; and the General Secretariat of the Presidency of the Republic.

—Concerning the main institutions and enterprises, the minister who is entitled to (?make decisions) on a particular entity or enterprise will propose to the president of the Republic the names for the posts of acting president or executive directors of a particular entity or enterprise.

—Concerning the distribution of the chairmanships of the regional development corporations, the proposal states that the MNR will hold the chairmanship of the development corporations of Cochabamba, Santa Cruz, Tarija, Beni, and Potosi, while the MIR will hold the chairmanship of the development corporations of La Paz, Chuquisaca, Oruro, and Pando.

—The president of the Republic is constitutionally entitled to appoint prefects.

—Concerning the municipal elections, the movements that make up the democratic coalition will outline and implement a common electoral campaign. The best people will be selected to become candidates for municipal councilmen.

—Concerning the judicial branch, the MNR proposes to restructure the judicial institutions, enhancing their independence from the other branches of the state.

—The point concerning the strategic projection of the democratic coalition establishes a period beginning in 1989 and ending in the year 2000. In this regard, the MNR and the MIR must create awareness within their respective parties so that in the 1993 election both movements will propose a ticket headed by a MIR presidential candidate and an MNR vice presidential candidate. In 1997, the presidential candidate will be from the MNR and the vice presidential candidate from the MIR.

Dear listeners, we have just given you a brief summary of an MNR institutional proposal to the MIR-New Majority faction to form a center-left government.

Yesterday, this document, along with an open letter signed by the MNR presidential candidate and MNR leaders, was sent to Jaime Paz Zamora.

Central Bank Reserve Level Reported Adequate

PY2707141489 La Paz La Red Panamericana in Spanish 1130 GMT 27 Jul 89

[Text] Central Bank President Jaques Trigo has reported that Bolivian Central Bank reserves currently stand at $180 million and that the bank has (?enough) funds to properly meet the needs created by the sale of U.S. dollars at the Central Bank, the needs of commercial banks, and the payment of our imports. Bolivian reserves were substantially increased in the past few days with a $100-million disbursement that the U.S. Government granted to support the balance of payments.

Trigo explained that the economic terms that refer to the reserve level are usually misunderstood. He noted that a $200-million obligation owed to the IMF, which is not a current liability, has been taken into account in calculating Bolivian net reserves. He went on to say that Bolivia's current assests amount to $180 million and that these funds are used to meet local import needs. Trigo added that the liabilities owed to the IMF must be taken into account in calculating the net reserves and that this shows that Bolivia has the funds necessary for the normal operation of its economy.

IDB Grants Credit for Modernizing Tax System

PY2707141089 La Paz La Red Panamericana in Spanish 1130 GMT 27 Jul 89

[Summary] The IDB has granted a $970,000 credit to Bolivia to support a program of modernization for the Bolivian tax system.

Brazil

Nobrega Warns Creditors About Payments

PY2807005089 Rio de Janeiro O GLOBO in Portuguese 27 Jul 89 p 19

[Text] On 24 July Brazil notified its creditor banks that if it does not receive fresh funds from the IMF or the World Bank as part of the agreements signed last year, it will not pay the more than $2 billion in interest that will fall due in September. This information was released last Tuesday by Finance Minister Mailson da Nobrega to businessmen during a dinner at the residence of Sergio Quintella, president of Engineering International.

Roberto Ramos, executive vice president of Montreal Engineering, who attended the dinner, yesterday relayed the minister's message. According to Ramos, Da

Nobrega announced that the steering committee of creditor banks was to send a communique yesterday to Brazil's more than 600 creditor banks to announce the Brazilian Government's decision. Brazil's decision will not depend on the behavior of the Brazilian trade balance in the next few months; that is, even if the country has another record trade surplus in July, the government will not make any interest payment unless it receives fresh funds.

Ramos said: The government seeks to make its position quite clear; it is determined to defend the level of its reserves to prevent a situation similar to that of Argentina, where a money exchange crisis ignited hyperinflation.

Felix de Bulhoes, president of White Martins, said: The minister informed us that we are no longer losing foreign currency reserves, which currently stand at $6.3 billion.

Correction To Sarney Interview on Economy

PY2707172289

The following item pertains to the item headlined "President Sarney on Economy, Other Issues," published in the 27 July Latin America DAILY REPORT, page 33: column one, paragraph two, sentence eight, make read...public deficit curve: In 1982 it was 7.7 percent of the GDP. This year we are attempting to keep it at the 1-percent level. We tried to keep it at 2 percent last year but the works of the constituent assembly and the proclamation of the new constitution increased the deficit to 3.5 percent of the GDP. [new graf]

[De Andrade] It is...(rewording)

Chile

Pinochet Discharged From Hospital After Surgery

PY2807023889 Santiago Domestic Service in Spanish 2300 GMT 27 Jul 89

[Text] President Augusto Pinochet has been discharged from the Military Hospital, the chief of the presidential medical service, Dr [name indistinct], reported in a bulletin.

The bulletin says that the president completed his 4th day after surgery without complications, and that he is active and in a good mood. He has been healing satisfactorily and is therefore being discharged.

Former Minister Buchi Registers for Dec Elections

PY2707185089 Santiago Radio Chilena Network in Spanish 1700 GMT 27 Jul 89

[Excerpt] Shortly after noon today former minister Hernan Buchi's electoral committee presented a list of 70,000 signatures certified by a notary public and then proceeded to register him as a presidential candidate. Hernan Buchi has thus become the first presidential candidate to officially register for the upcoming elections.

At the end of the ceremony Buchi read a statement in which he noted that he had not sought the honor nor is he hungry for power. [passage omitted]

Minister Stresses Impartiality in Plebiscite

PY2707191489 Santiago Television Nacional de Chile Network in Spanish 1800 GMT 27 Jul 89

[Text] Interior Minister Carlos Caceres has stated that the government will not intervene in the electoral process and that the government will be impartial during the process.

[Begin Caceres recording] The Interior Ministry has issued a note to all regional intendants so that they can promulgate the note to their respective communities and authorities. The note urges all officials not to promote their personal points of view on certain candidates for Congress or for the presidency. I think this is how to implement the principles of impartiality. [end recording] Caceres added that this is essential to make the political campaign as open as possible until 14 December 1989.

Caceres made this statement last night on concluding his participation in the "D-Hour" program conducted by the press. During this program he stressed the government's impartial position, although he admitted that the government is interested in developing its own principles and projects.

Present on this program as Caceres' special guests were his colleagues Hernan Felipe Errazuriz, Carlos Silva, Enrique Seguel, the Interior Ministry under secretary, the government secretary general, former ministers, and other officials.

Security Measures Announced

PY2707163689 Santiago Domestic Service in Spanish 1030 GMT 27 Jul 89

[Text] Oscar Vargas, Minister Secretary General of Government said that the Carabineros, the Army, and Air Force will safeguard order and the citizenry's safety during the plebiscite on Sunday, 30 July. Vargas disclosed this information at the end of a meeting of heads of the security forces headed by the chief of the cabinet.

[Begin Vargas recording] In general terms, Carabineros will be in charge of guarding the streets, the Army of the public services, and the Air Force of the airspace.

For this task we will use helicopters equipped with night vision devices, five units and [words indistinct] to be able to solve any problem affecting high-tension pylons. All these measures are being taken to assure the citizenry that they may participate of this electoral act in an expeditious and [words indistinct]. [end recording]

Vargas also said that the polling places will be open for 9 hours.

The minister ended by regretting the increase of subversive attacks. He noted that it seems those groups seek to hinder the process of transition toward democracy and, thus, disrupt the institutional system.

FPMR Seizes Vina del Mar Radio Station

PY2707162089 Santiago Domestic Service in Spanish 1030 GMT 27 Jul 89

[Text] Five armed members of the Manuel Rodriguez Patriotic Front [FPMR] have seized the studio of the radio station Aurora FM of the 5th region, forcing the staff to air a proclamation against the government and greetings to Cuban leaders.

The studio is located at 143 Irene Frei Street, Nueva Aurora neighborhood, Alto Agua Santa, Vina del Mar. While the usual programs were being aired, five young men wearing masks burst into the studio and handcuffed operations controller Claudio Menezes, Nelson Espinoza, who was in charge of the radio station; and a woman and her son who were passing by the place. The FPMR members then aired their subversive proclamation, which lasted approximately 3 minutes.

Security personnel reported to the station and immediately began to comb the area.

Colombia

House of Representatives Confirms Attorney General

PA2707131989 Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 27 Jul 89

[Report by Diana Sofia Giraldo]

[Excerpts] We are at the House of Representatives, where Alfonso Gomez Mendez has been confirmed as the country's attorney general. Despite criticism by the Conservative Party, Gomez Mendez received support from President Barco, former Presidents [Julio Cesar] Turbay and [Alfonso] Lopez Michelsen, the Liberal Party, the Patriotic Union, and some Conservative Party members. [passage omitted]

Twenty-one Conservative Party members issued a statement saying that for moral and political reasons, the appointment of Alfonso Gomez Mendez is a shame to democracy. Followers of [former President Misael] Pastrana Borrero issued a statement saying that institutions such as the Attorney General's Office should be in the hands of a party other than the ruling party. Now that he has been confirmed, the attorney general will soon be summoned to the House of Representatives to respond to the severe criticism by the Conservative Party.

M-19 Leader Russi Stabbed to Death in Prison

PA2607212389 Madrid EFE in Spanish 1934 GMT 26 Jul 89

[Excerpt] Bogota, 26 Jul (EFE)—Officials have reported that Jorge Eliecer Russi, an M-19 [19 April Movement] leader known as "Commander Russi," was murdered today in the Bellavista Prison in Medellin, where he had been serving time since September.

Police from Medellin, Colombia's second largest city located about 350 km northwest from Bogota, said that Russi, 38, was stabbed to death for unknown reasons. "The law of silence prevails in the prison."

"Commander Russi" was captured in September in Medellin by the Colombian Army as a result of a number of military search operations intended to eradicate urban guerrilla groups. [passage omitted]

Army Continues ELN Offensive, 13 Rebels Killed

PA2807041289 Bogota Emisoras Caracol Network in Spanish 1215 GMT 27 Jul 89

[Text] Bogota—Major General Rafael Padilla Vergara, commander of the 2d Army Division, reported that the guerrillas have suffered 13 casualties in recent days as a result of operations by units under his command in Arauca Intendency and in central Magdalena Department.

He said that the authorities have recovered the bodies of 11 rebels in Arauca. Area peasants believe, however, that there could still be more bodies. The general said that near Cimitarra, 14th Brigade troops killed two Revolutionary Armed Forces of Colombia, FARC, rebels and seized small arms and rifles from them.

Maj Gen Padilla Vergara said that the military offensive against the Army of National Liberation—or the ELN guerrilla group—will continue in the country's northeastern region. Magdalena Battalion troops have killed three ELN guerrillas and wounded a fourth one when the rebels approached the military post in a taxi and were discovered by military units.

Guerrillas Execute Collaborator

PA2807033489 Bogota LA PRENSA in Spanish 21 Jul 89 p 14

[Text] The Army of National Liberation [ELN] executed National Police First Sergeant Elirio de Jesus Henao for cooperating with paramilitary groups. Heano, whose body was found in the Intermedios neighborhood, Norte de Santader Department, had been held and tried with Swedish Anthropologist Bruce Ols.

Car Bomb Kills One, Emerald War Escalates

PA2707205689 Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 27 Jul 89

[Report by Carlos Mario Diaz]

[Text] A car bomb exploded outside the Ganaderia Nari offices at 93rd Street and 13th Avenue today, killing one person and wounding two others. Victor Carranza owns Ganaderia Nari. This incident is the latest in the war between emerald dealers that has been unleashed in Bogota. The car bomb was parked hours earlier in front of the Ganaderia Nari offices. The company's employees said they had never been threatened, but now they are frightened.

A very large police and military operation has begun in the area. It is believed the car bomb consisted of 20 kg of dynamite in a Renault 18. There are no reports of arrests in the incident.

Police Report Kidnapping of German Citizen

PA2807032789 Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 28 Jul 89

[Text] Attention. The Bogota police have just confirmed the kidnapping of 54-year-old German citizen [Nel Pinsky], owner of Pupy Fashions. Pinsky was intercepted by six men in a Lada vehicle in western Bogota. The police described two of the kidnappers: one is a tall, dark skinned man; the other has a beard. The police found the vehicle the kidnappers used 2 hours later in the Quinta Paredes neighborhood in downtown Bogota.

Venezuela

Foreign Ministry: Noriega Should Leave Position

PA2807015589 Madrid EFE in Spanish 1714 GMT 27 Jul 89

[Text] Caracas, 27 Jul (EFE)—The Venezuelan Foreign Ministry announced today that General Manuel Antonio Noriega should leave the Panama Defense Forces [FDP] as a means of resolving the political crisis in Panama. Venezuelan Foreign Ministry spokesmen today confirmed that Venezuelan Foreign Minister Enrique Tejera Paris had issued a statement to this effect.

The local media today published Tejera Paris' statements that Noriega should leave his position as FDP commander in chief, because if he retains his position, "a new government would have no credibility." The foreign minister said that regardless of what Noriega does, what is really important is for the Panamanian people "to return to normal constitutional life."

Tejera Paris said that the intention should not be to put Noriega in a difficult position, but to find a peaceful solution and, if possible, one reached through consensus. The Venezuelan foreign minister said that following the failure to acknowledge the past election results, the only solution is to hold new elections.

Tejera Paris said that Venezuela has never said that Noriega must leave Panama. "That could have been said by others, but not by us, because it would be like an outsider condemning a person to exile." The minister insisted that Noriega should retire and leave the military position he now holds. "Venezuela," he noted, "has no personal differences with Noriega, despite the many insults directed at Venezuela by the Panamanian media." Tejera Paris said that Venezuela will continue to help search for a solution which, he pointed out, should be implemented by the Panamanian people themselves.

* Relations With Guyana Improve Considerably

33480227c Caracas EL NACIONAL in Spanish 15 Jun 89 p D-6

[Text] After years of misunderstandings and confrontations, the relations between Guyana and Venezuela have undergone a palpable improvement in both the political and economic areas, to the point where our ambassador in Georgetown, Hugo Diaz Pifano, has described them as excellent.

Our diplomatic representative claims that the replacement of the policy of confrontation with one of cordiality, friendship, and good neighborliness has enabled Venezuela to gain significant space, inasmuch as Venezuelan foreign policy has major repercussions in Guyana. Furthermore, it has served to establish technical cooperation and economic, financial, and commercial relations which are very productive for both countries.

As a result, this improvement has had the effect of reinforcing Venezuela's relations with the entire ring of Caribbean islands, especially the English-speaking ones, which in turn has allowed for a greater projection of our foreign policy, as Ambassador Diaz Pifano aptly remarked. Venezuela's entry into the organization of nonaligned nations, which was vetoed by Guyana in the past, now has the full support of the authorities in that country, many of whose leaders have a large audience in that international agency.

Oil and Bauxite

Reconsideration of relations with our eastern neighbor began in 1986, when Venezuela started selling it oil. In return, Guyana sells us bauxite for the national aluminum industry. This does not involve a bartering operation, however, because the oil bill is paid for with the dollars that they receive for bauxite.

Based on the amount of oil purchased by Guyana, a credit line known as "roll on" (revolving credit) has been created, amounting to 22 million bolivares, enabling it to

purchase various Venezuelan products. The latter represent nontraditional exports for our country ranging from $5 million to $7 million per year. The list includes fertilizers, medicines, construction materials, paper for manufacturing cardboard boxes, water pumps, industrial safety footwear, glue, etc.

During the past 3 years delegations from the Venezuelan Exporters Association have visited the neighboring country on three occasions to conduct concrete business and to promote commercial exchange. A mixed economic commission that meets annually plans the relations in this area on the technical level.

A private Venezuelan company is currently developing bauxite in Guyana, thereby ensuring Venezuela an effective supply. The Venezuelan purchases of this mineral total 600 tons per year. Nevertheless, the trade balance remains in our favor.

Mutual Understanding

But beyond economic affairs, in which an unprecedented bilateral exchange has been generated, Ambassador Diaz Pifano was concerned about stressing the cooperation that has been produced in other areas. One example is the Venezuelan Institute for Culture and Cooperation, operating in Georgetown, where 600 students are taking Spanish lessons from nine Guyanese instructors trained in Venezuela under the direction of the Lara educator, Gregorio Castillo.

Also through that institute, cuatro [Venezuelan four-stringed guitar] lessons are being given by Venezuelan instructors, and a 40-member chorus performing songs of both countries is maintained. In the cultural realm, children's activities are also offered, and a magazine is put out publicizing Venezuelan-Guyanese relations.

Operating in Georgetown are a Bolivarian Society and the Guyanese-Venezuelan Friendship Society, the latter having over 300 members who meet periodically to sponsor lectures and film screenings, among other activities. Its president is Jai Naraine Sengh, who was recently awarded the Liberator Order by former President Rafael Caldera.

The University of Guyana maintains agreements for the exchange of professors and students with the University of the Andes and Simon Bolivar University. Venezuela is also helping to train technicians and personnel for radio and television. Television is at a very early stage in that country.

Bilateral Cooperation

In the health field, the two South American nations have initiated a joint program to combat malaria, which has broken out again in the border zone during recent years. Through this program Guyanese doctors and biological analysts have been trained in Maracay and Caracas.

Technicians from Ciepe [Foundation and State Investigation Center for Experimental Agroindustrial Production] have participated in the training of their Guyanese counterparts in the conservation of foods and the processing of by-products of various grains.

The military was not omitted by our ambassador in Georgetown, who emphasized as a positive fact that fosters the easing of tensions the existence of a cooperation program between the armed forces of the two nations, which has been reinforced by a visit to Caracas by the Guyanese defense minister, and the arrival of frigates from the Venezuelan Navy in that country's port on two occasions. A Guyanese Defense Force officer is currently taking staff courses at the Superior War College at Fort Tiuna.

With a view toward the future, Guyana is holding talks with the Federal Republic of Germany to implement a forest development joint venture for lumber operations. An active study is also under way of the possibility of selling electricity produced at El Guri, which would be technically feasible.

* Maladministration of Justice Discussed

33480227a Caracas EL NACIONAL in Spanish 17 Jun 89 p D-16

[Text] "The judicial situation in Venezuela is so delicate and serious that it should prompt us to deep reflection because what has been happening and seems to be becoming more and more marked in this respect runs counter to any type of democratic plan that may be attempted."

This opinion was expressed by criminologist Elio Gomez Grillo when he noted that here, "an arrest warrant for a rich person is a scandal, but 30,000 arrest warrants for 30,000 'poor fools' is a statistic."

Gomez Grillo is a teacher, a person dedicated to education for most of his life and to the study of the judicial reality, essentially in the field of imprisonment. His critiques and studies, many of which have been published in his weekly articles in EL NACIONAL, in his books, or in the notes of his students at the Law School, represent a live X-ray of our defects that need to be corrected. Recalling Quevedo, he told us: "Criminals do less harm than a bad judge."

He made this comment when we brought up the issue of the Recadi [National Preferential Exchange Office] investigations and the latest events stemming from the course of this trial, which has kept the country in suspense about the results that the probes of corruption occurring there will have. Last Thursday a collective protest took place, expressed in the so-called "March of Poor Fools" which the subject of our interview, of course, attended. There people from the most varied sectors of Caracas society voiced their criticism of the squandering and the ill-gotten money in the hands of

Venezuelans, while the nation is submerged in the morass of an increasingly unpayable foreign debt and the poverty in which families of fellow citizens are living, ultimately not boding a secure future.

"Insofar as the judicial aspect of this matter is concerned, I am among those who support the effort that Dr La Riva has been making as a judge. A furious attack is started against this magistrate when he issues an arrest warrant against a powerful person. Many have already wondered why he was not attacked when, for so many years as a Venezuelan judge, he issued arrest warrants against many 'poor devils,' and why there has been no attack on so many judges who do this every day, and who 'live in glass houses.' It is to be hoped that arrest warrants will be issued against other powerful persons, so as to attack this."

He subsequently declared: "If a judge is relentlessly attacked because he jailed a 'big shot,' all the judges in the country will be intimidated so that it will never occur to them in their lives to do the same."

Like a teacher addressing a student, he recalled the popular English saying that, "A judge should be an upright, balanced, sensible, honest, even-tempered man and, if he knows something about the law, all the better."

[Gomez Grillo] "I believe that we need to apply some of that saying here at present. Enough has already been said about corruption among judges. We know that this corruption and partisanship are the two major obstacles to our having proper penal justice in Venezuela. But added to this is the class nature of our justice system. I have said more than once that what is paid for in jail, rather than crime, is social and economic defenselessness. What is paid for is poverty."

[EL NACIONAL] "This is an aspect of our society that even the Church has dealt with when it refers to the gap that exists between rich and poor."

[Gomez Grillo] "Yes, the problem of our administration of penal justice begins with the police. This is the first level of class justice, in addition to partisanship and corruption. The economic, social, and political power in general makes the police only able to capture and hold the socially and juridically weak offenders, with some exceptions. This is the 'known or apparent' crime, from which the powerful are excluded. There is left an immense margin of 'hidden crime' (over 10 crimes for each one known), which does not reach the police, or which the latter disregard because of their powerlessness to take cognizance of it."

[EL NACIONAL] "Has there been an investigation of this?"

Gomez Grillo produces as evidence the work done by Karin von Kroningen, whom he certainly does not know personally, but whose book on "Social Inequality and Application of Penal Law," published in Caracas in 1980, he has read. There one notes that a trial held against a middle or upper class offender lasts an average of 105.3 days, whereas those involving the lower class last 502.4 days, that is, five times longer.

"The opportunity for defense among members of the upper and middle classes materializes through a private defender, who exhausts all the means for achieving the release of the one he is defending. A member of the lower class, on the other hand, is assisted by a public defender of prisoners: 75 percent of them visit the jails four times a month, and the remaining 25 percent go only twice, although the law requires four monthly visits as a minimum. Considering the number of cases that each public defender has on the average (over 200), and the number of times that he visits the prison to meet with those he is defending, one concludes that the defenders cannot see even half of the prisoners that they have been assigned to defend at least once a month."

He remarks: "Without much effort, one can also conclude that the public defense to which the 'poor devil' has access is virtually nonexistent in our country as an institution, excepting, to be sure, the spirit of responsibility, human sensitivity, and public service that exists among many of those defenders.

"But there is something more, too. In this investigation one learned that the final verdicts (in the 'judged' or 'legal' crime) of the trial courts were always guilty—100 percent—when the defendant was a member of the lower class. But when the accused was from the upper class 30 percent were acquitted. And furthermore, the sentences for the lower class ranged from 12 to 20 years in prison, with an average of 16.3 years. Among the upper class, in 70 percent of the cases they were sentenced to an average of 8 years in jail, in other words, for half that time."

And the matter does not end there.

"As for the appeal for cassation, in none of the cases in which it was filed by defenders of those from the lower class who were convicted was it accepted by the Supreme Court of Justice's Cassation Division. All these cases were declared terminated. Among the upper class, on the other hand, as a result of the declaration accepting the appeals filed, and the prosecution of the cases in remand courts, 25 percent of the accused were acquitted and for 18.4 percent of the cases the sentences were reduced. In all, the average number of years of a sentence, when the appeals were exhausted, declined to 5.1 years in prison on the average for defendants belonging to the upper class, and rose by 17 years for the accused from the lower class."

After analyzing the aberrations stemming from partisanship in the judicial branch, corruption, the class nature of our justice system, and other aspects relating to negligence, Gomez Grillo recalled a remark made by

Joaquin Gonzalez in the prologue to Antonio Arraiz' novel "Pure Men," saying: "Jail has come to be the only touching, realistic image and imitation that we have of proclaimed eternity."

*** COPEI Urges Immediate Reform in Agriculture**
33480227d Caracas EL NACIONAL in Spanish
15 Jun 89 p D-4

[Text] "Both President Carlos Andres Perez and Jaime Lusinchi have increasingly abandoned the country's agricultural sector." This statement was made in a lengthy document approved by the COPEI [Social Christian Party] National Committee, analyzing the crisis that the sector is undergoing.

Based on the view expressed by the Social Christian economists, "No provision has been made in the national budget for the appropriations that are necessary and fitting to meet the requirements of the agricultural sector, whose priority is obvious."

We are reprinting below the document containing the analysis made by the high-ranking COPEI leaders, in which an extensive explanation is given of the reasons for the crisis and the options.

The Document

1. The real priority of a government is reflected in the measures that it adopts to provide the presumably priority sector with sufficient financial, human, and institutional resources for becoming successfully developed within the social fabric, and not in bombastic statements of high-ranking officials. From this standpoint, the agricultural sector has been increasingly abandoned by the recent Democratic Action [AD] governments, both that of Jaime Lusinchi and that of Carlos Andres Perez.

The 1989 budget submitted by Jaime Lusinchi's finance minister and approved by the AD majority in Congress during September of last year contains a reduction of 1.0655 billion bolivares for the agricultural sector compared with the 1988 budget. In other words, the supply of funds for that sector was cut over 20 percent this year.

Thus far, the present government has shown little interest in agriculture. Of the 13.5555 billion bolivares in additional loans authorized to date, only 6 percent, or 828.6 million, has been allocated to the agricultural sector, much of it being assigned for personnel expenses. Of the 116.8947 billion bolivares, the sum of the seven loans sought to use the funds generated by the devaluation of the bolivar in March of this year, the government has requested only 6.4869 billion bolivares, that is, slightly over 5 percent of the total, for the agricultural sector.

2. Meanwhile, the status of agriculture has worsened, both because of the measures adopted by the government and because of its neglect of farmers: the rise in interest rates and in other components for the sector, the insecurity in the rural areas, the paralysis of agrarian reform, the disregard for agricultural producers in the decision-making on storage facilities and, most of all, the neglect of farmers when it is time for the government to make decisions, especially on financing for agricultural activity and on the construction and maintenance of the infrastructure essential for backing agriculture.

3. As for interest rates, the impact on the agricultural sector from the excessive hike therein was not foreseen by the country's monetary authorities. After the farmers' protest an attempt was made to reach agreement with the private banks on a 15 percent rate for certain activities, but the private banks claimed that it was impossible to subsidize the interest differential. Hence, the responsibility for financing the crops fell totally on Bandagro [Agricultural-Livestock Development Bank] and ICAP [Agricultural-Livestock Credit Institute], whereas neither of the two institutions had sufficient funds for coping with it. The government did not pay heed to them, because in response to the reasoned explanation given by these institutions requesting immediate, sufficient reinforcements to finance the preparation of the winter planting, and although the Congress had informed it of its willingness to cooperate, it sought from the latter only a fraction of the amount demanded.

4. The increased prices of equipment for agriculture, stemming on the one hand from the devaluation, which made machinery, spare parts, livestock feed, seed, etc., more expensive, and, on the other, from the inflation and speculation unleashed by the new government in recent months, raised agricultural production costs, hence heightening the demand for financial resources.

The financing requirements for planting increased considerably: the funds needed to plant a hectare of corn rose from 3,250 to 8,850 bolivares; dry land rice, from 3,900 to 7,260; irrigated rice, from 5,000 to 9,000; sorghum, from 2,900 to 6,470; sugar cane, from 7,500 to 11,250 bolivares, and so on for all the other crops.

Just as in previous years, ICAP has available only part of the funds needed to provide for the farming sector.

The situation in Bandagro is equally serious. The deficit in funds has led to a reduction in its credit programming to only 130,000 hectares of grain, instead of the 300,000 that it had been providing for in the past, with financing for only half of the loans for livestock agriculture. The requirements for additional funds to meet the traditional demand alone exceed 1 billion bolivares, to which must be added the new demand for funds due to the absence of the private sector in agricultural financing.

5. Because the government did not make timely provision for the agricultural sector's financial requirements, there has been a substantial decline in the planting that should have been done for the winter harvest which will lead to a major shortage that will serve as justification for imports.

Fertilizer

6. A special chapter in the agricultural problem pertains to fertilizer. This government, in its agreement with the IMF, decided to raise the price of fertilizer to the international level. The result was that the price of fertilizer was multiplied by six. The amount of funds for the subsidy was also raised. Even so, farmers must pay substantially more for the product. This reduced demand and will bring about a considerable decline both in agricultural productivity and in production.

7. This year sufficient funds have not been provided to deal with construction and maintenance of local roads and agricultural penetration routes. The same thing holds true for the maintenance and construction of irrigation and drainage projects and the silo program.

8. Land ownership has been neglected. There has been a reduction in the turnover of personal ownership titles to producers, and there have been complaints of official partiality toward those who infringe upon the rights of the weakest producers. The rights of agricultural producers are ignored when mention is made of privatization of the state-owned storage facilities.

Inflationary Impact

9. Another problem seriously affecting the agricultural sector is the drop in the consumption of its products, as a result of the impact from inflation. And, at the same time, there is no clear-cut policy on storage and marketing, both internal and external, to help farmers to cope with the uncertainty of a market for perishable products.

10. In view of this situation, which threatens a sector of maximum importance to the nation's existence, COPEI deems it necessary to pool the efforts of all sectors of national life, setting aside political factions and vested interests.

COPEI calls upon the Executive Branch and the Congress to adopt immediate decisions and initiatives that will help the agricultural sector to cooperate in solving the serious problems besetting the nation in the areas of food and employment.

We are issuing instructions to our congressional faction to assume the responsibility for proposing and backing the making of urgent decisions on financing for planting, through ICAP and BANAGRO.

We request of the National Executive Branch a clear-cut definition and rapid implementation of policies stimulating the private sector to contribute to the financing of agriculture on terms that are acceptable and in keeping with that sector's current conditions. We also request definition and implementation of an internal and external marketing policy for products of the agricultural sector, including solutions to the problems involved in storage, transportation, financing for exports, and internal marketing.

We demand of the responsible agencies, the Ministry of Agriculture and Livestock, the Ministry of Transport and Communications, and the Ministry of Environment and Renewable Natural Resources, either directly or through their affiliated agencies, as well as the state governments, that they quickly and efficiently undertake a program for maintenance and construction of agricultural infrastructure, roadways, silos, and irrigation and drainage projects, for which they are to be provided with the essential funds. Our parliamentary factions in the Congress and the Legislative Assemblies are being instructed in this regard.

We demand of the National Executive Branch that it put into operation a program to improve agricultural productivity, to include dealing with the problems involving the use of fertilizer and agricultural equipment, under reasonable fianancing terms.

We give a reminder that now, as in the past, Integral Agrarian Reform, backed by an equitable distribution of land among those who work on it, timely, adequate financing, marketing organization, and technical assistance to producers, is still the guide for the policy and action of democratic governments toward agriculture.

COPEI considers the top priority of any sensible government to be that of ensuring the population's food. The neglect in which the government has left agriculture at present will prevent the attainment of any other goal or objective that the government may have set for itself, and seriously compromises the country's political, economic, and social stability.

* Statistics Show Increase in Poverty Level

33480227b Caracas EL NACIONAL in Spanish 17 Jun 89 p A-4

[Text] The Central Foundation for Biological Studies on Growth and Development of the Venezuelan Population (Fundacredesa) has, without doubt, achieved the stratification of Venezuelan families in five different strata, based on their quality of life. Thus, the modified Graffar method has become an indicator of living conditions among a population. Nevertheless, since the variables comprising it change slowly, it should be considered a structural indicator of living conditions that is quite useful for checking the changes in the society every 6 years.

In fact, Fundacredesa has managed to diagnose the changes that have occurred in Venezuela between 1981 and 1988. By 1981 the country had a population of 15 million inhabitants, grouped in 725,056 families, distributed as following: in Stratum I, 27,795 families (1.02

percent of the total); 121,560 (4.46 percent) in Stratum II; 384,233 (14.1 percent) in Stratum III; 1,154,608 (42.37 percent) in Stratum IV, termed relative poverty; and 1,036,881 (38.05 percent) in Stratum V, termed extreme poverty.

As of December 1988 Venezuela had a population of 18 million inhabitants, grouped in 3,406,832 families, in the following strata: in Stratum I, 35,665 (1.05 percent); in Stratum II, 220,661 (6.48 percent); in Stratum III, 452,544 (13.28 percent); in Stratum IV (relative poverty), 1,213,838 (35.63 percent); and in Stratum V (extreme poverty), 1,484,134 families (43.56 percent) out of the total number of families.

This view of Venezuela, through the application of the modified Graffar method, has enabled us to learn that, during the period between 1981 and December 1988, there was an increase in the number of families on higher levels of social prosperity, the number of families in Strata III (middle level) and IV (relative poverty level) declined, and the number of families in Stratum V, classified as that of extreme poverty, increased.

Guyana

Death Sentence for Drug Dealers Approved

FL2707134689 Bonaire Trans World Radio in English 1130 GMT 27 Jul 89

[Text] Guyana plans to impose the death sentence on those convicted of selling or administering drugs to minors. Guyana's Parliament approved the measure yesterday.

The amendment was introduced to give legal protection to Guyana's children from drug dealers. Two opposition parties, the United Force and the Working People's Alliance, say they agree with the intent of the amendment, but they also agree the government should have submitted the amendment to a select committee of Parliament before seeking approval.

Opposition to Provision

FL2707211089 Bridgetown CANA in English 2029 GMT 27 Jul 89

[Text] Georgetown, Guyana, July 27, CANA—Amidst strong opposition from the minority parties in Parliament, the Guyana Government has passed new legislation prohibiting the courts from imposing a second prison term should a person convicted of drug offences fail to pay a fine.

Attorney General Keith Massiah said that under the Narcotic Drugs Act, there is provision for the court to impose a fine together with a term of imprisonment, and for a further term of imprisonment, should the fine not be paid. The government, he said, "thought it more beneficial" to stipulate that should the convicted person fail to pay the fine, rather than let that person spend an additional period in jail, the amount should be recovered by levying on his property.

The specified cases under the new law are restricted to offences against the Narcotic Drugs and Psychotropic Substances (control) Act 1988. But there is provision for the Minister of Legal Affairs to specify other offences,"by order" which would be "subject to negative resolution of the National Assembly."

The new legislation, the "Administration of Justice (fines) Bill 1989, "also amends the State Liability and Proceedings Act 1984 to make it clear that, among other things, "parate or summary execution...may be issued against movable and immovable property" for the recovery of all fines due to the court.

Opposition members of Parliament Reepu Daman Persaud of the Peoples' Progressive Party (PPP) and Eust Kwauama of the Working Peop!es' Alliance (WPA), accused the government of rushing the bill through Parliament and asked that it be delayed and submitted to a select committee for detailed consideration.

Persaud said that by permitting parate execution on movable and immovable property for the recovery of fines, the government was introducing a new concept into the law and ought to proceed more carefully.

Kwayana said he was "very, very strongly opposed to the bill" which he called "obnoxious." He suggested that before such a bill is passed, there should be wider consultation involving bodies such as the Guyana Bar Association.

Dealing with the question of parate execution, Massiah, a retired chancellor of the judiciary, explained that the state's Liability of Proceedings Act stipulates that all taxes, all imposts, and all penalties that are due to the state are recoverable by parate execution. He noted, however, that like the debate over the death penalty, there is an unresolved controversy over whether, in executing a parate execution, one can move only against a persons movable property. But he added: "We have sought to put it beyond doubt by saying two things: You can recover fines by parate execution and you can levy on both movable and immovable property."

The three opposition speakers during the debate, Persaud, Kwayana and United Force (UF) leader Fielden Singh, wondered what would be the position should the person involved have no assets—movable or immovable. But this issue was not addressed by Massiah in his response.

Sugar Workers 'Totally Reject' Wage Offer

FL2707123989 Bridgetown CANA in English 1958 GMT 26 Jul 89

[Text] Georgetown, Guyana, July 26, CANA— Sugar workers here have "totally rejected" the increase in wages being offered by the Guyana Sugar Corporation (Guysuco), the Guyana Agriculture and General Workers Union (GAWU) reported Tuesday. The rejection came at a special one day conference on Sunday.

"Delegates at the conference expressed their grave concern about the meagre wage increase and felt that Guysuco and the government were not serious about production and productivity and the realisation of the target for the second (sugar) crop," GAWU said in a statement.

Talks on increased wages and other benefits for sugar workers were started in May following a seven-week strike in the sugar industry in protest against austerity measures introduced by the government in its 1989 budget. GAWU said that when the talks continued last Friday, Guysuco offered a wage increase of 7.066 per cent over and above the 20 per cent increase approved by government for all public sector employees with effect from April 1, 1989.

Guysuco, meanwhile, has said that its offer formed part of a "substantial package" which also includes tax-free incentives, merit increment, and concessionary arrangements on tools, yachting boots, safety boots, and other equipment. GAWU, however, is demanding a 300 per cent increase in wages.

The union also reported that the resolution rejecting Guysuco's offer was one of 17 approved by the special conference which brought together sugar workers from the union's several branches in the east Demerara area. It said that among the resolutions passed was one calling for an inquiry into the operations of the sugar industry, another for the withdrawl of the sugar levy, one for improved conditions for women workers in the industry, and one for the improvement of housing and recreational facilities in the sugar belt.

The conference was opened by the union's honorary president, Dr Cheddi Jagan, who is also leader of the opposition Peoples Progressive Party (PPP) and leader of the minority in Parliament. The feature address was given by General-Secretary Komal Chand.